ABRASILVER RESOURCE CORP.

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2024

DATED: April 3, 2025

Corporate Office:

220 Bay Street, Suite 550
Toronto, Ontario
M5J 2W4

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ANNUAL INFORMATION FORM DATED April 3, 2025
ABRASILVER RESOURCE CORP. (“AbraSilver” or the “Company”)

PRELIMINARY NOTES

Effective Date of Information

The date of this Annual Information Form (this “**AIF**”) is April 3, 2025. Except as otherwise indicated, the information contained herein is as at December 31, 2024.

Documents Incorporated by Reference

The information provided in this AIF is supplemented by disclosure contained in the documents listed below which are incorporated by reference into this AIF. These documents must be read together with the AIF in order to provide full, true and plain disclosure of all material facts relating to the Company. The documents listed below are not contained within or attached to this document. The documents may be accessed on SEDAR+ at www.sedarplus.ca under the Company’s profile.

Document	**Effective Date/ Period Ended**	**Date Filed on SEDAR+ website**	**Document Category on the SEDAR+ Website**
Updated NI 43-101 Technical Report, Pre-Feasibility Study for the Diablillos Ag-Au Project (the “**Diablillos PFS Technical Report**”)	December 3, 2024	January 17, 2025	Technical Report (NI 43-101)

Cautionary Statement – Forward Looking Information

This AIF contains “forward looking information” within the meaning of Canadian securities laws related to the Company and its operations, and in particular, the anticipated developments in the Company’s operations in future periods, the Company’s planned exploration activities, the adequacy of the Company’s financial resources and other events or conditions that may occur in the future. Statements concerning Mineral Reserve and Resource estimates may also be considered to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if and when the properties are developed or further developed. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

These forward-looking statements include, but are not limited to: future production of silver, gold, copper and other metals (collectively, the “**metals**”); future cash costs per ounce or pound of the metals; the price of the metals; the effects of domestic and foreign laws, regulations and government policies and actions affecting the Company’s operations or potential future operations; future successful development of the Diablillos project, in the Salta Province (“**Salta**”) of northwestern Argentina (the “**Diablillos Project**” or the “**Project**”) and other exploration and development projects; the sufficiency of the Company’s current working capital, anticipated operating cash flow or the Company’s ability to raise necessary funds; estimated production rates for the metals produced by the Company; timing of production; the estimated cost of sustaining capital; ongoing or future development plans and capital replacement, improvement or remediation programs; the estimates of expected or anticipated economic returns from the Company’s mining projects; future sales of the metals, concentrates or other future products produced by the Company; implementation of programs; effects of renegotiation and termination of contracts or sub-contracts; and the Company’s plans and expectations for its properties and operations.

Forward-looking statements or forward-looking information can be identified by the use of forward-looking terminology such as “expects”, “anticipates”, “plans”, “projects”, “estimates”, “assumes”, “intends”, “strategy”, “goals”, “objectives”, “potential” or variations thereof, or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions are not statements of historical fact and may be forward-looking information. Such forward-looking statements and forward-looking information are subject to a variety of risks and uncertainties, which could cause actual events or results to differ from those reflected in such forward-looking statements and forward-looking information, including, without limitation, risks with respect to: foreign mining operations; additional financing; volatility of the capital markets; exploration and the timing of reporting exploration results; early stage of development; attracting and retaining qualified personnel; environmental risks; burden of government regulation and permitting; local and international groups; competition risks; insurance risks; operating hazards and risks; potential conflicts of interest; political instability and hyperinflation; Russia’s military action in Ukraine; precious metal and base metal price fluctuation; uncertainty of calculation of reserves and sources and metal recoveries; uncertainty of title to assets; environmental risks; litigation risks; volatility in the price of the common shares in the capital of the Company (the “**Common Shares**”); potential dilution of present and prospective shareholdings; currency risks; financial reporting standards; and climate change. This list is not exhaustive of the factors that may affect any of the Company’s forward-looking statements or forward-looking information. Forward-looking information includes statements about the future and are inherently uncertain, and the Company’s actual achievements or other future events or conditions may differ materially from those reflected in the forward-looking information due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this AIF under the heading “*Risk Factors*”.

The Company’s statements containing forward-looking information are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking information if circumstances or management’s beliefs, expectations or opinions should change, other than as required by applicable law. For the reasons set forth above, one should not place undue reliance on forward-looking information.

Classification of Mineral Reserves and Resources

In this AIF, the definitions of Proven and Probable Mineral Reserves, and Measured, Indicated and Inferred Mineral Resources are those used by the Canadian provincial securities regulatory authorities and conform to the definitions utilized by the 2014 Canadian Institute of Mining, Metallurgy and Petroleum Standards for Mineral Resources and Mineral Reserves, Definitions and Guidelines, May 2014 (the “**CIM Standards**”).

This AIF has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of the U.S. securities laws. In particular, and without limiting the generality of the foregoing, the terms “Inferred Mineral Resources”, “Indicated Mineral Resources,” “Measured Mineral Resources” and “Mineral Resources” used or referenced in this AIF are Canadian mineral disclosure terms as defined in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) under the guidelines set out in the CIM Standards.

Currency Information

All currency references in this AIF are in Canadian dollars unless otherwise indicated. The use of the symbol “US$” refers to United States dollars (“**USD**”).

CORPORATE STRUCTURE

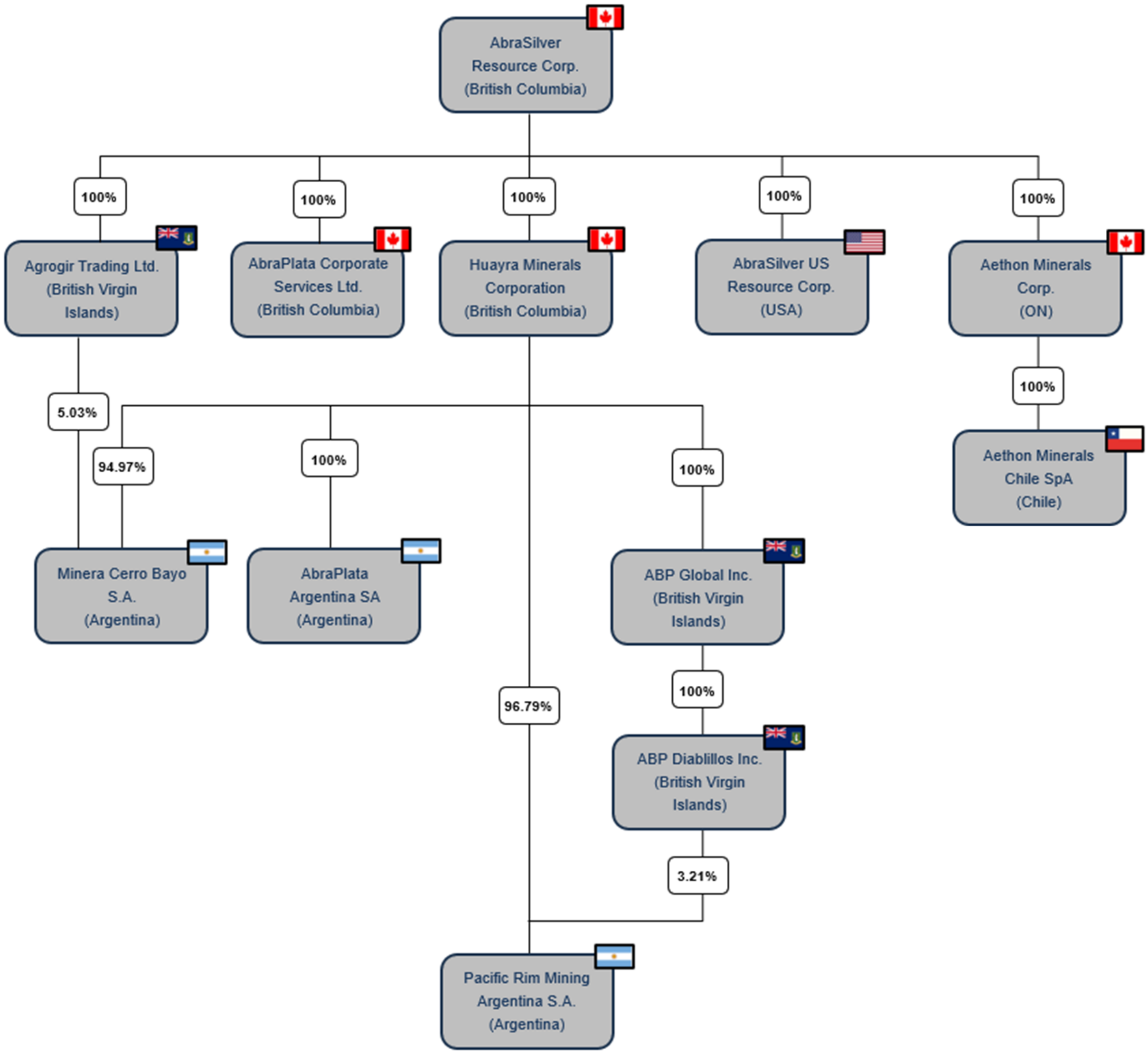
Name, Address and Incorporation

The Company was incorporated under the *Business Corporations Act* (Alberta) on August 31, 1993, under the corporate name "Schwanberg International Incorporated" ("**Schwanberg**"). On or about January 1, 2004, Schwanberg and at the time its wholly-owned subsidiaries, Lanex Resources Inc., Macroplus Energy Inc. and 650256 Alberta Ltd., amalgamated into a new entity, Schwanberg International Incorporated. Concurrently with the amalgamation, Schwanberg filed articles of amendment to change its name to "Mystique Energy Inc." ("**Mystique**"). On or about May 18, 2011, Mystique filed further articles of amendment changing its corporate name to "Bella Resources Inc." ("**Bella**"). The Company changed its name again on or about August 29, 2013, evidenced by a certificate of amendment from Bella to "Angel Bioventures Inc." ("**Angel Bio**"). Pursuant to a reverse takeover transaction with Huayra Minerals Corp., Angel Bio continued to the jurisdiction of British Columbia under the *Business Corporations Act* (British Columbia) (the "**BCBCA**") effective February 27, 2017, and subsequently changed its name to "AbraPlata Resource Corp." ("**AbraPlata**"), by way of a certificate of amendment dated March 23, 2017. Finally, on or about March 4, 2021, AbraPlata changed its name by way of a certificate of change of name to "AbraSilver Resource Corp."

The registered principal office of AbraSilver is located at 220 Bay Street, Suite 550, Toronto, Ontario, M5J 2W4.

Intercorporate Relationships

The Company carries on a significant portion of its business through a number of direct and indirect subsidiaries, as follows:



GENERAL DEVELOPMENT OF THE BUSINESS

Three-Year History and Recent Developments

2022

On January 13, 2022, the Company announced the filing of a NI 43-101 Preliminary Economic Assessment Technical Report for the Diablillos Project dated January 13, 2022.

On January 24, 2022, the Company announced the commencement of its maiden drill campaign at the La Coipita project (the "**La Coipita Project**"). The initial drilling program was originally expected to consist of approximately 3,000 meters of HQ diamond core drilling.

On June 8, 2022, the Company announced it had completed a comprehensive Environmental Baseline Study (the "**Study**") at the Diablillos Project. The Study was completed on behalf of the Company by EC & Asociados, a certified environmental consultancy company based in Salta. The purpose of the Study was to gather and analyze relevant environmental baseline parameters for the area of a potential future mine before any major project activities are undertaken.

On June 13, 2022, the Company announced the commencement of a 15,000-metre Phase III exploration program with two diamond drill rigs designed to further expand Mineral Resources across the Diablillos property. The size of the drill program and the number of drill rigs may be expanded, if warranted.

On June 28, 2022, the Company announced the discovery of a significant new copper-gold-molybdenum porphyry system at the La Coipita Project.

On July 25, 2022, the Company announced the all-time highest grade silver intercept at the Diablillos Project, grading 2,383 grams per tonne ("**g/t**") silver-equivalent ("**AgEq**") (34.0 g/t gold-equivalent ("**AuEq**") over 26 metres, located in the high-grade Tesoro zone.

On August 3, 2022, the Company announced the discovery of a new near-surface, high-grade silver zone, located over 500 metres southwest of the Oculto Mineral Resource (the "**JAC Zone**" or "**JAC**"). The discovery hole in the new zone, intersected 357 g/t AgEq (5.1 g/t AuEq) over 87 metres.

On September 15, 2022, the Company announced the final set of assay results from the Phase II exploration program on the Diablillos Project.

On September 29, 2022, the Company announced the first set of assay results from the Company's ongoing Phase III drill program on the Diablillos Project.

On October 12, 2022, the Company announced assay results from two holes drilled at the JAC Zone.

On November 3, 2022, the Company announced an updated, conceptual open pit constrained, Mineral Resource estimate for the Oculto deposit on the Diablillos Project. The accompanying Diablillos technical report was filed on December 19, 2022.

On November 9, 2022 and November 22, 2022, the Company announced new assay results from four diamond drill holes from the ongoing 15,000 metre Phase III drilling program on the Diablillos Project.

On November 29, 2022, the Company announced the entering into of an engagement letter agreement with Eight Capital, as lead underwriter and bookrunner, and on behalf of a syndicate of underwriters (collectively, the "**December 2022 Underwriters**") in connection with a "bought deal" private placement financing (the "**December 2022 Offering**") of 21,622,000 units (the "**Units**") at a price of \$0.37 per Unit (the "**December 2022 Issue Price**") for gross proceeds of \$8,000,140. Each Unit consists of one Common Share and one-half of one Common Share purchase warrant (each whole warrant, a "**Warrant**"), with each Warrant entitling the holder thereof to purchase one additional Common Share at a price of \$0.50 per Common Share for a period of 24 months following the closing of the December 2022 Offering (the "**Closing Date**"). The Company also announced the granting to the December 2022 Underwriters of an option, exercisable in whole or in part up to 48 hours prior to the Closing Date, to offer and sell up to an additional 5,405,000 Units at the December 2022 Issue Price, for additional gross proceeds of up to \$1,999,850 (the "**December 2022 Underwriters' Option**").

On December 6, 2022, the Company announced the closing of the December 2022 Offering for aggregate gross proceeds of \$9,999,990 (including the exercise in full of the December 2022 Underwriters' Option).

On December 15, 2022, the Company announced new assay results from five diamond drill holes from the ongoing 15,000 metre Phase III exploration drilling program on the Diablillos Project.

On December 19, 2022, the Company announced the filing of its NI 43-101 Preliminary Economic Assessment Technical Report for the Diablillos Project dated December 19, 2022.

2023

On January 10, 2023, the Company announced new results from the JAC Zone in connection with the Company's ongoing 15,000 metre Phase III exploration drilling program on the Diablillos Project.

On January 17, 2023, the Company announced new assay results from its latest diamond drill holes from the ongoing Phase III exploration drilling program on the Diablillos Project.

On February 6, 2023, the Company announced new assay results from six additional diamond drill holes from the ongoing Phase III exploration drilling program on the Diablillos Project.

On February 21, 2023, the Company announced that it was expanding its ongoing Phase III exploration drilling program on the Diablillos Project, which is expected to consist of approximately 22,000 metres of diamond drilling, up from 15,000 metres, using two diamond drill rigs. Additionally, the Company also announced the commencement of its second drill campaign at the La Coipita Project.

On February 27, 2023, the Company announced new assay results from four additional diamond drill holes from the ongoing Phase III exploration drilling program on the Diablillos Project.

On March 14, 2023, the Company announced new assay results from its latest diamond drill holes from the ongoing Phase III exploration drilling program on the Diablillos Project.

On March 29, 2023, the Company announced assay results from its latest diamond drill holes from the ongoing Phase III exploration drilling program on the Diablillos Project.

On April 13, 2023, the Company announced new assay results from its latest diamond drill holes from the ongoing Phase III exploration drilling program on the Diablillos Project.

On May 4, 2023, the Company announced assay results from its latest diamond drill holes from the ongoing Phase III exploration drilling program on the Diablillos Project.

On May 25, 2023, the Company announced new assay results from its latest diamond drill holes from the ongoing Phase III exploration drilling program on the Diablillos Project. Additionally, the Company announced that the Phase III program was being increased as mineralization at the JAC Zone remained open.

On June 1, 2023, the Company announced positive preliminary metallurgical test results for the new JAC Zone from the ongoing Phase III drilling program on the Diablillos Project.

On June 26, 2023, the Company announced new assay results from the ongoing Phase III drilling program on the Diablillos Project.

On July 12, 2023, the Company announced new assay results from the ongoing Phase III drilling program on the Diablillos Project and the La Coipita Project.

On August 9, 2023, the Company announced new assay results from three reconnaissance diamond drill holes from the ongoing Phase III exploration drilling program on the Diablillos Project. The new holes, drilled approximately 100 metres to the northwest of the JAC Zone, intersected a promising new silver zone (the "**JAC North Zone**"). One hole in the JAC North Zone intersected a high-grade interval of 12 metres at 1,042 g/t Ag in oxides starting at a down-hole depth of only 69 metres and including a 6 metre interval grading 1,880 g/t Ag.

On August 30, 2023, the Company announced assay results for the final set of drill holes completed as part of the Phase III drilling program on the Diablillos Project.

On October 10, 2023, the Company announced positive results from metallurgical optimization testing for the Oculto deposit on the Company's Diablillos Project.

On November 1, 2023, the Company announced initial drill results from its first regional exploration program focused beyond the Oculto and JAC zones at the Diablillos Project.

On November 28, 2023, the Company announced a substantial increase to the Mineral Resource estimate on the Diablillos Project. The accompanying NI 43-101 Mineral Resource Estimate Technical Report for the Diablillos Project was filed on January 10, 2024.

2024

On January 2, 2024, the Company announced that it had entered into a binding letter agreement with a subsidiary of Teck Resources Limited ("**Teck**"), with respect to a proposed option and joint venture agreement (the "**Option Agreement**") to explore and develop the La Coipita Project. The Option Agreement will grant Teck an option (the "**Option**") to acquire an 80% interest in the La Coipita Project by funding cumulative exploration expenditures of US$20,000,000 over a five-year period, making staged cash payments to, and an equity placement in, the Company, totaling US$3,000,000 (including an initial mandatory payment of US$500,000), and making up to US$6,300,000 in optional cash payments in respect of amounts payable to the underlying La Coipita Project vendors.

On January 10, 2024, the Company announced the filing of an updated NI 43-101 Mineral Resource Estimate Technical Report for the Diablillos Project.

On January 22, 2024, the Company announced the execution of the previously announced Option Agreement with a subsidiary of Teck to explore and develop the La Coipita Project. Following an initial transition period during which the Company will support field operations, Teck is expected to act as operator for the duration of the Option. Upon exercise of the Option, the Company and Teck will incorporate a company in Argentina to become the titleholder of the La Coipita Project.

On February 13, 2024, the Company announced that drilling had commenced at the La Coipita Project. The initial drill program is expected to consist of two drill rigs, drilling a planned total of four holes, over 2,600 metres, focusing on the La Coipita Project. The drill program is fully funded by a subsidiary of Teck under the terms of the Option Agreement.

On March 25, 2024, the Company announced results from the "NI 43-101 Technical Report, Pre-Feasibility Study for the Diablillos Ag-Au Project" (the "**April 2024 PFS Technical Report**").

On March 28, 2024, the Company announced an aggregate of 5,680,000 stock option grants pursuant to its share compensation plan to directors, officers, employees, advisors and consultants of the Company.

On April 22, 2024, the Company announced the entering into of subscription agreements in respect of a strategic non-brokered private placement financing (the "**April 2024 Private Placement**") of an aggregate of 50,000,000 Common Shares at a subscription price of $0.40 per Common Share for aggregate gross proceeds to the Company of $20 million, pursuant to which each of Kinross Gold Corporation ("**Kinross**") and an affiliate of Central Puerto SA ("**Central Puerto**") will invest $10 million. Upon closing of the April 2024 Private Placement, Kinross and Central Puerto will each own approximately 4.0% of the outstanding Common Shares on an undiluted basis, and the Company will enter into an Investor Rights Agreement with each of Kinross and Central Puerto (the "**IRAs**") that includes, among other things, standard anti-dilution and equity participation rights, the formation of a Technical Advisory Committee and a Strategic & Operational Committee, and the formation of a regional partnership to jointly explore for and acquire new projects in Argentina focused on silver, gold and copper. The Company also announced that, following completion of the April 2024 Private Placement, the Company plans to consolidate its Common Shares, on the basis of one (1) post-Consolidation Common Share for every five (5) pre-Consolidation Common Shares (the "**Consolidation**").

On April 26, 2024, the Company announced the closing of the April 2024 Private Placement for aggregate gross proceeds of $20 million.

On April 30, 2024, the Company announced the filing of the April 2024 PFS Technical Report.

On May 6, 2024, the Company announced the commencement of its Phase IV 20,000-metre diamond drilling program (the "**Phase IV Drill Program**") on the Diablillos Project. The fully funded Phase IV exploration campaign will consist of three diamond drill rigs, drilling a total of 20,000 metres.

On May 17, 2024, the Company announced that the Consolidation will take effect at market open on May 22, 2024. On May 22, 2024 the Consolidation was made effective.

On May 30, 2024, the Company announced the filing of the Amended and Restated Technical Report – Pre-Feasibility Study for the Diablillos Ag-Au Project (the "**May 2024 PFS Technical Report**"). The May 2024 PFS Technical Report supersedes the April 2024 PFS Technical Report and contains updated figures for the Proven and Probable Mineral Reserves for the Diablillos Project due to a compilation error in the April 2024 PFS Technical Report.

On June 18, 2024, the Company announced the appointment of Jeremy Weyland as Senior Vice President, Projects and Development, effective September 3, 2024. Mr. Weyland is an international mining executive with 17 years of industry experience in capital project planning and execution, including senior leadership roles at Lundin Mining Corp. and Kinross Gold Corp. The Company also announced that pursuant to its share compensation plan, an aggregate of 400,000 incentive stock options, exercisable at a price of $2.19 per Common Share for a period of five years, were granted to Mr. Weyland. Additionally, the Company announced that it had engaged the services of ICP Securities Inc. to provide automated market making services effective July 1, 2024, including use of its proprietary algorithm, ICP Premium™, in compliance with the policies and guidelines of the TSX Venture Exchange (the "**TSXV**") and other applicable legislation.

On July 22, 2024, the Company announced the first set of assay results from the Company's fully-funded 20,000 metre Phase IV Drill Program on the Diablillos Project.

On August 19, 2024, the Company announced assay results from the Phase IV Drill Program on the Diablillos Project.

On September 4, 2024, the Company announced the completion of the Environmental Impact Assessment ("**EIA**") on the Diablillos Project. The completion of the EIA marked an important step towards advancing the Diablillos Project towards the development phase, while highlighting the Company's commitment to adhering to all environmental standards and regulatory processes. Additionally, the Company announced that, as previously announced on June 18, 2024, the Company appointed Jeremy Weyland as Senior Vice President, Projects and Development, effective September 3, 2024. In connection with this appointment, the Company granted an aggregate of 400,000 incentive stock options to Mr. Weyland. Concurrently with the option grant, the Company cancelled 400,000 incentive stock options that were previously granted to Mr. Weyland on June 18, 2024, which options were exercisable at a price of $2.19 per Common Share.

On September 30, 2024, the Company announced assay results from the Phase IV Drill Program on the Diablillos Project. The Company also announced the results of its recently completed TITAN geophysical survey, situated on the Diablillos Porphyry Complex located approximately 3.5 km northeast of the Oculto deposit. The TITAN survey was completed by Quantec International Project Services Ltd., which conducted a five-line survey covering the Cerro Blanco and Cerro Viejo target areas, and confirmed a large chargeability anomaly beneath Cerro Blanco reflecting a zone of intense silicification that is interpreted as being related to a large porphyry intrusion.

On October 23, 2024, the Company announced assay results from the Phase IV Drill Program on the Diablillos Project. The Company also announced the commencement of drilling of an initial exploration hole situated on the Diablillos Porphyry Complex, located approximately 3.5 km northeast of the Oculto deposit. The initial hole is in the Cerro Viejo target area and is designed to test the potential for a large copper-gold-molybdenum porphyry system. A minimum of three priority holes have been selected to be drilled targeting coincident chargeability and resistivity zones, defined by the recently completed geophysical survey.

On November 11, 2024, the Company provided an update on the upcoming Pre-Feasibility Study for the Diablillos Project and an exploration update on the La Coipita Project.

On November 13, 2024, the Company announced assay results from the Phase IV Drill Program on the Diablillos Project.

On December 3, 2024, the Company announced the results of its updated Pre-Feasibility Study for the Diablillos Project.

On December 11, 2024, the Company announced assay results from the Phase IV Drill Program on the Diablillos Project.

On December 19, 2024, the Company announced that it had completed a non-brokered private placement of 408,163 Common Shares, at a price of US$2.45 per Common Share (approximately CAD$3.47 per Common Share), for aggregate gross proceeds of approximately US$1,000,000 (the "**Private Placement**"). Teck, the sole subscriber under the Private Placement, subscribed for Common Shares in connection with the Option Agreement.

Recent Developments

On January 20, 2025, the Company announced that it had filed the Diablillos PFS Technical Report. There are no material differences in the Diablillos PFS Technical Report from the results disclosed in the Company's December 3, 2024 news release.

On January 27, 2025, the Company announced assay results from four initial reconnaissance drill holes at the porphyry complex, located approximately 3.5 km northeast of the Oculto deposit, on the Diablillos Project.

On January 31, 2025, the Company announced that it had entered into an agreement with National Bank Financial Inc. and Beacon Securities Limited, acting as co-bookrunners, and on behalf of a syndicate of underwriters (collectively, the "**January 2025 Underwriters**"), pursuant to which the January 2025 Underwriters have agreed to purchase, on a "bought deal" basis, 8,550,000 Common Shares at a price of $2.55 per Common Share (the "**January 2025 Issue Price**"), for aggregate gross proceeds of $21,802,500 (the "**January 2025 Offering**"). The January 2025 Underwriters were granted an option to purchase up to an additional 15% of the Common Shares issued under the January 2025 Offering at the January 2025 Issue Price to cover over allotments, exercisable in whole or in part, at any time until 30 days after the closing of the January 2025 Offering.

In addition to and concurrent with the January 2025 Offering, on January 25, 2025, the Company announced that it intended to complete a private placement offering (the "**Concurrent Private Placement**") of up to 10,434,062 Common Shares at the January 2025 Issue Price for gross proceeds of up to $26,606,858.10 in connection with the exercise of a participation right held by Central Puerto and Kinross. In connection with the Concurrent Private Placement, the Company entered into a binding subscription agreement with Central Puerto, pursuant to which Central Puerto agreed to purchase 9,701,157 Common Shares, which was expected to increase Central Puerto's ownership interest to approximately 9.9% of the issued and outstanding Common Shares, on a non-diluted basis. Kinross also holds a participation right and was expected to elect to participate in the Concurrent Private Placement to maintain its current ownership position. Should the Over-Allotment Option be exercised, Kinross and Central Puerto would have the option to purchase additional Common Shares under the Concurrent Private Placement in accordance with the terms of their participation right. The Common Shares sold pursuant to the Concurrent Private Placement are subject to a hold period of four months plus one day from the closing date of the Concurrent Private Placement.

On January 31, 2025, the Company announced that it had agreed with the January 2025 Underwriters to increase the size of the January 2025 Offering. The Company further announced that the January 2025 Underwriters had agreed to purchase on a "bought deal" basis, 10,231,000 Common Shares, for aggregate gross proceeds of $26,089,050.

On February 7, 2025, the Company announced the successful closing of the January 2025 Offering of 11,765,650 Common Shares for aggregate gross proceeds of $30,002,407.50. This total included the full exercise of the over-allotment option. The January 2025 Offering was completed pursuant to an underwriting agreement dated February 4, 2025 (the "**January 2025 Underwriting Agreement**") entered into among the Company and the January 2025 Underwriters. In connection with the January 2025 Offering, the Company paid the January 2025 Underwriters a cash commission equal to 6.0% of the aggregate gross proceeds raised. In connection with the January 2025 Offering, the Company intended to complete the previously announced Concurrent Private Placement of up to 11,193,565 Common Shares in connection with the exercise of participation rights held by Central Puerto and Kinross, at the Issue Price, for aggregate gross proceeds of up to $28,543,590.75.

On February 12, 2025, the Company announced the successful closing of the Concurrent Private Placement of 11,193,565 Common Shares for aggregate gross proceeds of $28,543,591. This marked the completion of a total of approximately $58.5 million in recent financings, including the January 2025 Offering.

On February 19, 2025, the Company announced high-grade gold and silver assay results from initial drilling at the new Oculto East target, as part of its ongoing, fully-funded Phase IV drill program on the Diablillos Project.

On February 20, 2025, the Company announced that it had been recognized as one of the top 50 companies on the TSXV for 2024.

On February 24, 2025, the Company announced that it had received final listing approval from the Toronto Stock Exchange (the "**TSX**") to graduate from the TSXV. The Common Shares began trading on the TSX effective at the market open on February 27, 2025, under the symbol "ABRA". In conjunction with the graduation to the TSX, the Common Shares were voluntarily delisted from, and no longer trade on the TSXV, effective at the market close on February 26, 2025.

On March 10, 2025, the Company announced further strengthening of its technical team with the engagement of Caro & Navarro Limitada. The principal of Caro & Navarro Limitada is Boris Caro who will serve as Project Director, effective full-time from April 1, 2025. In his new role, Mr. Caro will help oversee the completion of the Definitive Feasibility Study (the "**DFS**") for the Company's flagship Diablillos Project, which is targeted to for completion in Q1/2026. The DFS will follow approval of the Environmental Impact Assessment (expected in Q4/2025), and qualification of the Diablillos Project under Argentina's Large Investment Incentive Regime. In addition, the Company announced that pursuant to its share compensation plan, an aggregate of 300,000 incentive stock options, exercisable at a price of $3.32 per share for a period of five years, had been granted to consultants of the Company. Such options vest in 50% instalments on January 31, 2026 and June 30, 2026, subject to the satisfaction of certain conditions.

On March 11, 2025, the Company announced new assay results from the recently completed Phase IV drill program on the Diablillos Project.

On March 24, 2025, the Company announced that it had commenced its fully-funded Phase V exploration campaign at the Diablillos Project.

DESCRIPTION OF THE BUSINESS

General

Summary

AbraSilver Resource Corp. is a silver, gold, and copper exploration company with projects in Argentina and Chile. The Company has projects at various stages of exploration, from drill-ready to pre-feasibility study stage. Its primary focus is on exploring and advancing the Diablillos Project, which is a high sulphidation epithermal silver-gold deposit with a large Mineral Resource estimate.

Diablillos Project

The Diablillos Project was acquired by the Company from SSR Mining Inc. ("**SSRM**") in 2016 and covers an area of approximately 79km^2 in the province of Salta, Argentina and hosts epithermal precious metal mineralization in a number of mineral occurrences. As consideration, the Company will pay US$13,150,000 in cash, issue 11,294,609 Common Shares (pre-Consolidation) in instalments over a nine-year period and a 1% net smelter return royalty. As at the date of this AIF, US$6,150,000 has been paid and 11,294,609 Common Shares (pre-Consolidation) have been issued. The US$7,000,000 balance will be paid on earlier of the date on which commercial production occurs in respect of all or any part of the Diablillos Project and July 31, 2025. The unpaid cash consideration under the second amended and restated share purchase agreement among SSRM, Huayra Minerals Corporation, the Company and Fitzcarraldo Ventures Inc. dated as of March 21, 2017, as amended on December 31, 2017, and as further amended on September 11, 2019 (the "**Diablillos SPA**") is secured against a mortgage, pledge and assignment agreement in favour of EMX Royalty Corporation ("**EMX**"). If the Company fails to pay the unpaid cash consideration under the Diablillos SPA, when due, EMX (the assignee of SSRM's rights under the Diablillos SPA) will be permitted to enforce against the Company's assets related to the Diablillos Project.

There are several known mineral zones comprising the Diablillos Project. A total of approximately 150,000 metres ("**m**") have been drilled to date, which has outlined multiple occurrences of epithermal silver-gold mineralization at Oculto, JAC, Laderas and Fantasma. Additionally, several satellites zones of silver/gold-rich epithermal mineralization have been located within a 500 m to 1.5 km distance surrounding the Oculto/JAC epicentre.

The Diablillos Project lies within the border zone between Salta and the Province of Catamarca ("**Catamarca**"). For many years, the definitive border line between Salta and Catamarca has been in dispute and the Diablillos Project falls within territory claimed by both provinces. In 1984, the government of Salta granted mineral rights to the Diablillos Project to one of the Company's predecessors-in-title. In the early 2000s, the government of Catamarca granted overlapping mineral rights in the same area to a third party, thereby creating the potential for conflicting titles pending the resolution of the border dispute, a matter falling within the jurisdiction of the federal government under the Constitution of Argentina. The Company reached an agreement with the shareholders of Minera Cerro Bayo SA ("**Cerro Bayo**"), the owner of the conflicting mineral rights granted by the government of Catamarca, to acquire a 100% equity interest in Cerro Bayo, thereby indirectly acquiring ownership and control of the conflicting mineral interests. As consideration, the Company agreed to pay US$3,325,000 in cash and issue 500,000 Common Shares (pre-Consolidation) to the shareholders of Cerro Bayo in instalments over an eight-year period. As at the date of this AIF, the unpaid cash consideration payable under the share purchase agreement with respect to Cerro Bayo (the "**Cerro Bayo SPA**") is US$1,170,000 payable on or before July 31, 2025. The unpaid cash consideration is secured against a stock pledge and trust agreement in favour of the seller of the equity interest of Cerro Bayo. Should the Company fail to meet its obligations under the Diablillos SPA, and such failure leads to the termination of the Diablillos SPA, the Company may, at any time, terminate the Cerro Bayo SPA and return its equity interests in Cerro Bayo to the sellers under the Cerro Bayo SPA.

For further information relating to the Diablillos Project, please see "*Material Mineral Properties*" in this AIF.

La Coipita Project

In addition to the Diablillos Project, the Company holds an interest in the La Coipita Project. The La Coipita Project is located in the San Juan province of Argentina adjacent to the Chilean border. The Company has an option agreement to acquire a 100% interest in the La Coipita Project which encompasses a large area, totaling approximately 70,000 hectares, in the western portion of the Calingasta Department.

The La Coipita Project is located in a geological setting similar to world-class deposits in the same belt, including the Filo del Sol and Los Azules projects, where porphyry style mineralization is found immediately beneath epithermal mineralization. On June 28, 2022, the Company announced the discovery of a significant new copper-gold-molybdenum porphyry system from its maiden drill campaign which consisted of two deep drill holes. Hole DDH 22-002 intersected a continuous copper-gold porphyry zone of 226 m grading 0.34% Cu and 0.07 g/t Au, marking a significant new discovery on the project. Mineralization remained open at depth, as the hole ended within a separate interval of 146 m of 0.27% Cu down to a depth of approximately 1,200 m. Porphyry style mineralization was encountered within the host rocks believed to be adjacent to the central porphyry intrusive progenitor, which was not intersected. Hole DDH 22-001 intersected high sulphidation mineralization with multiple high-grade narrow zones of copper and gold veining. Both drill holes were targeted at a surface geochemistry pattern interpreted as being a reflection of an underlying porphyry system, with estimated approximate dimensions of 2.0 km by 1.5 km. Additional drilling in this new major porphyry system is being planned, with the objective of intersecting the central porphyry intrusive progenitor. On February 21, 2023, the Company announced the commencement of its second drill campaign at the La Coipita Project.

On August 17, 2021, the Company announced it had executed an option agreement to acquire additional prospective claims near the La Coipita Project, called the Yaretas Claims.

On January 2, 2024, the Company entered into the Option Agreement with Teck to explore and develop the La Coipita Project. In early 2024, Teck completed 2,476m of diamond drilling in five holes at the Yaretas target on the La Coipita Project, mapping and rock sampling at the Rio Frio and Quebrada del Viento targets, and a 17.2 line km IP-MT survey at Quebrada del Viento, together with reconnaissance work.

Four new exploration areas have been identified by Teck and are being reviewed to determine their potential and possible work in 2025. Follow-up drilling is planned for Q1 2025, which includes approximately 3,000 m of diamond drilling in four holes; two at the Yaretas target and two at the Quebrada del Viento target, commencing in early Q1 2025.

The Option Agreement grants Teck an option to acquire an 80% interest in the La Coipita Project by funding cumulative exploration expenditures of US$20,000,000 over a five-year period, making staged cash payments to, and equity placement in AbraSilver totaling US$3,059,545 (including an initial mandatory payment of US$559,545), and making up to US$6,300,000 in optional cash payments in respect of amounts payable to the underlying La Coipita Project vendors. Following an initial transition period during which AbraSilver supported field operations, Teck became operator of La Coipita for the duration of the Option.

Pursuant to the Option Agreement, Teck may exercise the Option by:

- Making the following payments to or equity placement in AbraSilver:

  i. US$559,545 cash payment upon execution of the Option agreement, which amount has been paid;

  ii. US$1,000,000 cash payment or, at Teck's election, a subscription for US$1,000,000 of Common Shares on or before January 31, 2025, to be priced at the greater of (a) a 25% premium to the preceding 20-day volume weighted average price of the Common Shares, or (b) $1.75 per Common Share, which subscription was completed pursuant to the terms of the Private Placement; and

  iii. US$1,500,000 cash payment on or before January 31, 2028.

- Incurring an aggregate of US$20,000,000 in exploration expenditures on the La Coipita Project over a five-year period; and

- Additional optional cash payments in respect of amounts for expenditures required to settle payments to the La Coipita Project optionors:

  i. US$500,000 initial payment, which amount has been paid;

ii. US$500,000 on or before July 31, 2024, which amount has been paid;

iii. US$1,000,000 on or before January 15, 2025, which amount has been paid;

iv. US$800,000 on or before July 31, 2025;

v. US$1,500,000 on or before July 31, 2026; and

vi. US$2,000,000 on or before January 15, 2026.

Upon exercise of the Option, the parties will incorporate a company in Argentina ("**La Coipita Newco**") to become the titleholder of the La Coipita Project. Teck will hold 80% of La Coipita Newco's outstanding shares, with AbraSilver holding the remaining 20%. Each party will fund its pro-rata share of future expenditures on the La Coipita Project through equity contributions to La Coipita Newco or incur dilution. If a party's shareholding interest in La Coipita Newco is diluted below 10% or pursuant to certain other conditions of the Option Agreement, its shareholding interest will be converted to a 1.1% net smelter returns royalty on La Coipita, of which 0.6% can be bought back by the payor for a cash payment of US$3,000,000 at any time.

In connection with the Option Agreement, the Company has been engaged by Teck to act as Manager and perform certain services in support of the exploration activities at the La Coipita Project. As a result, the Company is entitled to a management fee equal to 10% of all costs actually incurred in carrying-out the exploration activities.

Exploration Properties

The main exploration property for the Company is its Diablillos Project. The Diablillos Project is in the Puna region of Argentina, in the southern part of Salta Province, approximately 160 km southwest of the city of Salta. The property comprises 15 contiguous and overlapping mineral leases acquired by AbraSilver in 2016. The mining concessions were granted by the Government of Salta through an agreement with SSRM and Pacific Rim Mining Corporation Argentina SA ("**Pacific Rim**") an Argentinian company and the registered owner of the Diablillos property.

Specialized Skill and Knowledge

Most aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, mining, metallurgy, engineering, environmental issues, permitting, social issues, and accounting. The Company has adequate employees with experience in these specialized areas to meet its current needs.

Cycles

The mining and exploration industry is cyclical in nature. The mining industry is subject to commodity pricing, which is in turn affected by other economic indicators and worldwide cycles. The pricing cycles that the mining industry experiences affect the overall environment in which the Company conducts its business. For example, if commodity pricing is low, AbraSilver's access to capital may be restricted. Continuing periods of low commodity prices or economic stalls could also affect the economic potential of the Company's current properties and may affect its ability to, among other things: (i) capitalize on financing, including equity financing, to fund its ongoing operations and exploration and development activities; and (ii) continue exploration or development activities on its properties.

Furthermore, weather cycles may affect the Company's ability to conduct exploration activities at its Diablillos Project. More specifically, drilling and other exploration activities may be restricted during periods of adverse weather conditions or winter seasons as a result of weather-related factors, including inclement weather, snow covering the ground, frozen ground and restricted access due to snow, ice, or other weather-related factors.

Competitive Conditions

The mining and exploration industry is competitive in all aspects. The Company competes with other mining companies, many of whom have greater financial resources, operational experience or technical capabilities than AbraSilver, in connection with the acquisition of properties producing, or capable of producing, precious metals. In addition, the Company also competes for the recruitment and retention of qualified employees and consultants.

Economic Dependence

The Company's business is not substantially dependent on any single commercial contract or group of contracts either from suppliers or contractors.

Material Reorganization

The Company has not undergone a restructuring transaction (as defined by National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**")) within the past three most recently completed financial years.

Bankruptcy Reorganizations

There has not been any voluntary or involuntary bankruptcy, receivership or similar proceedings against the Company or any of its subsidiaries within the three most recently completed financial years or during or proposed for the current financial year.

Changes to Contracts

The Company does not anticipate that its business will be materially affected in the current financial year by the renegotiation or termination of any contracts or sub-contracts.

Environmental Protection

The Company is currently in material compliance with all applicable environmental regulations applicable to its exploration, development, construction and operating activities. The financial and operational effects of environmental protection requirements on capital expenditures, earnings and expenditures during the fiscal year ended December 31, 2024 were not material.

Employees

As at December 31, 2024, the Company and its subsidiaries had 38 employees and 13 contractors.

Social or Environmental Policies

The Company works towards building relationships with the communities in which it operates and is committed to complying in all material respects with all environmental laws and regulations applicable to its activities. As a result, the Company has implemented a Social Responsibility Policy and an Environmental Policy:

Social Responsibility Policy

The Company's vision is to achieve development that is shared with the communities around its operating locations, with the goal of mutual well-being of all stakeholders for both the mid- and long-term.

In order to achieve this, the Social Responsibility Policy contemplates the Company:

- Establish stable, trusting and transparent relationships with the communities in the area of influence, the state and the actors involved in its activities.
- Promote and accompany the development of local suppliers in the area of influence, through management policies.
- Promote the behavior of a good neighbor and a good citizen when interacting with the communities in the area of influence, with the premise of being an open-door project.

Environmental Policy

The Company envisions itself as a leading company when it comes to minimizing impacts on the environment and the active prevention of environmental pollution.

The Environmental Policy contemplates the Company:

- Comply with legal requirements and other applicable environmental requirements.
- Carry out all activities protecting the environment, preventing pollution and promoting the sustainable use of resources.
- Promote behavioral changes through training and environmental education, focusing on the objectives of sustainable development, prioritizing clean energy, equality and gender equity, and developing the environmental circular economy as a pillar of our management.

Foreign Operations

As the Company's material mineral property is located in Argentina, the Company's business is dependent on foreign operations. Operating in Argentina has certain risks, for more information please see "*Risk Factors*".

MATERIAL MINERAL PROPERTIES

The Company has one material project described below. To satisfy the reporting requirements of National Instrument 51-102F2 with respect to the Company's material mineral projects, the Company has opted, as permitted by NI 51-102, to reproduce the executive summary from the Diablillos PFS Technical Report and to incorporate by reference the Diablillos PFS Technical Report into this AIF.

Diablillos Project, Argentina

The Company owns 100% of the Diablillos Project pursuant to Diablillos SPA and the Cerro Bayo SPA. See "*Description of the Business – General – Diablillos Project*" for more information.

Diablillos PFS Technical Report

The following is the summary section of the Diablillos PFS Technical Report, prepared and signed by qualified persons, Luis Rodrigo Peralta, Joseph M. Keane, Miguel Fuentealba Vergara and Shaida Miranda Gutierrez. The full text of the Diablillos PFS Technical Report is available for viewing on SEDAR+ at www.sedarplus.ca and is incorporated by reference in this AIF.

1. Executive Summary

1.1 Property Description, and Location

The Diablillos property is located within the Puna region of Argentina, in the southern part of Salta Province along the border with Catamarca Province, approximately 160 km southwest of the city of Salta and 375 km northwest of the city of Catamarca. The property comprises 15 contiguous and overlapping mineral concessions acquired by AbraSilver in 2016.

The project site has good year-round accessibility through a 150 km paved road, followed by a well-maintained gravel road, shared with other adjacent projects.

1.2 History

The Diablillos property has been explored from the 1960s until the present. Initial exploration was carried out by the Argentinian military while evaluating the Puna for porphyry-style copper deposits. Exploration directed specifically at Diablillos began in 1971. From 1984 to 1985 Shell and Billiton conducted rock chip sampling and geochemical surveying. In 1985, Billiton optioned the property. In 1987, Ophir conducted 34 rotary holes. The property was held by BHP until 1991. In 1992, Pacific Rim optioned the property and completed requirements to acquire 100% ownership. Pacific Rim conducted exploration work until 1996, when Barrick Exploraciones Argentina SA, obtained an option on the shares of Pacific Rim. Pacific Rim continued exploration, initiated a preliminary environmental impact study and a metallurgical study. In December 2001, Silver Standard Resources acquired all assets of Pacific Rim Corporation and continued exploration with ground magnetic surveying and drilling.

The mining concessions at Diablillos were granted by the Government of Salta through an agreement with SSRM and Pacific Rim, now 100% owned by AbraSilver. In September 2019, AbraPlata and Aethon Minerals Corp. ("**Aethon**") entered into a binding arrangement over the properties of Pacific RIM Mining Corporation, a subsidiary of SSRM. This transaction was supported by SSRM who were the original vendor of the Diablillos property to AbraPlata.

In March 2021, AbraPlata formerly changed its name to AbraSilver Resource Corp.

On July 2021, Silver Standard Resources announced the sale of their royalty portfolio to EMX Royalties. This transaction included a 1% NSR held on the Diablillos project as well as a US$7 million payment.

1.3 Geological Setting, Mineralization, and Deposit Types

The Diablillos Project contains a weathered high-sulphidation epithermal silver-gold system hosted primarily in Tertiary volcanic and sedimentary rocks. Drilling to date has outlined several occurrences of epithermal silver-gold mineralization, the Oculto zone, JAC Zone, Laderas zone and Fantasma zone.

Several satellite zones of silver/gold-rich epithermal mineralization have been located within a 500 m to 1.5 km distance surrounding the Oculto/JAC epicentre. The focus of the Diablillos PFS Technical Report is the Oculto, JAC, Fantasma and Laderas zones.

1.4 Exploration and Drilling

Exploration work on the Diablillos Project was conducted by several operators over the history of the Project. This includes 170,017m of drilling in 864 drill holes, split as 111,582m of diamond drilling ("**DDH**"), and 55,593m of reverse circulation drilling ("**RC**").

Total meters drilled by year are summarised in Figure 1 1.

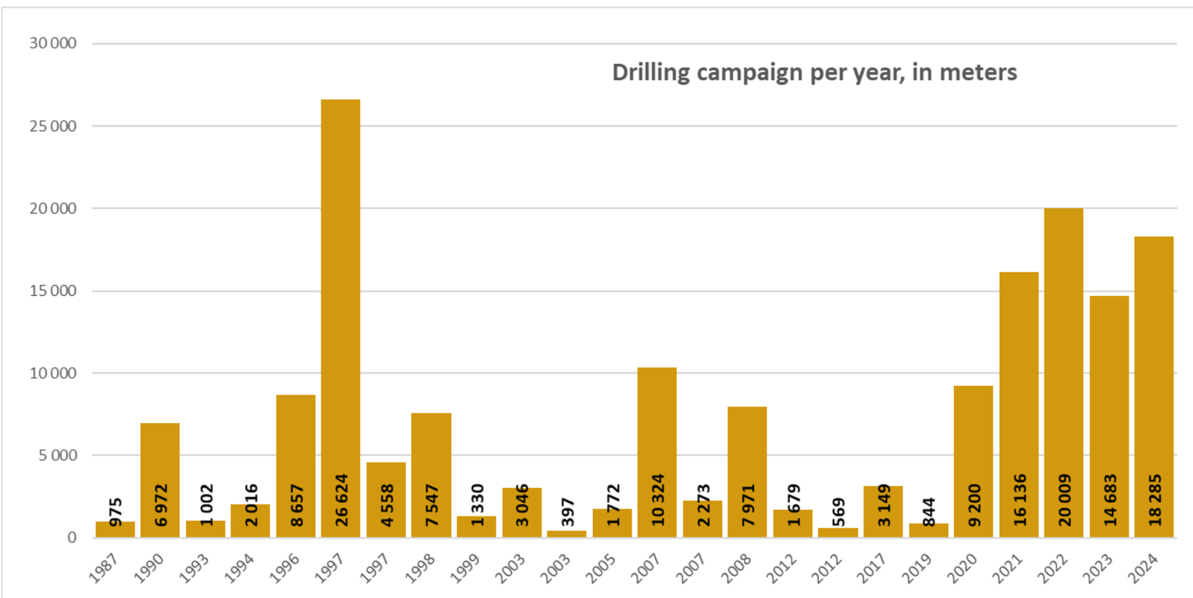


Figure 0-1: Diablillos drilling history

Source: AbraSilver Resource Corp., 2024

Exploration results from the 2024 drilling campaign will be reported in an updated Mineral Resource estimate later in 2025.

1.5 Sample Preparation, Analysis and Security

Sampling and analytical work from the 1996 to 2008 exploration programs was reviewed. It appears to have been conducted using industry standard practices. From 2008, the property was explored primarily by SSRM until 2017 when AbraSilver took ownership. During this time all drilling, including collaring, surveying, logging, sampling, and chain of custody for drilling campaigns was conducted in an appropriate manner consistent with industry best practice.

The number and orientation of drill holes and the sampling methods employed reflect an adequate representation of the mineralization at Oculto, JAC and the other identified orebodies. Core splitting and sampling was handled solely by dedicated staff and the samples were stored securely.

Assaying was performed using conventional, industry standard methods, and by well-known independent commercial laboratories.

1.6 Data Verification

Mr. Peralta visited the Diablillos Project on three occasions, from April 24th to May 3rd, 2023, October 2nd to October 8th, 2023, and October 18th to October 22nd, 2024 . He conducted a general site inspection, including drill collar locations, core review, logging facility, logging procedures, camp facilities and a surface geology review on the JAC, Laderas, Fantasma and other nearby areas. Core from several drill holes was inspected and compared with the logs. Collar locations were confirmed by handheld GPS.

Vertical cross sections and plan views with detailed geology, alteration and interpretation were discussed with AbraSilver geologists. Discussions included future exploration targets and near-term objectives. Based on Mr. Peralta's opinion, the site and geology procedures were as described in previous technical reports, with well-maintained facilities and orderly core storage.

Site visits by Mr. Fuentealba (October 2nd to October 8th, 2023, and October 18th to October 22nd, 2024) and Mr. Keane (September 13th to September 15th, 2022) were carried out to verify the main project aspects, focusing on mining methodology, processing, general layout, infrastructure, and environment. It was confirmed that these processes were compliant with industry best practice and in line with legislation.

Site visits by Mr. Fuentealba (October 2nd to October 8th, 2023) and Mr. Keane (September 13th to September 15th, 2022) were carried out to verify the main aspects of the Project, with a focus on mining methodology, processing, general layout, infrastructure, and environment, which were confirmed as compliant with best practices and in line with legislation.

1.7 Mineral Processing and Metallurgical Testing

In 2022, AbraSilver sent a total of 42 samples representing the Oculto mineralisation to SGS Lakefield for metallurgical testing. In early 2023, an additional 14 test samples representing the JAC/Fantasma mineralisation were sent to SGS for additional metallurgical studies. Based on the latest Mineral Resource estimate, the Oculto orebody represents approximately 85% of the currently identified Diablillos mineralisation inventory, while JAC/Fantasma represents approximately 15%.

The beneficiation investigations included comminution tests, mineralogical identifications, whole ore leach tests, gravity concentration, gravity tailings cyanidation testing, Merrill-Crowe precipitation, cyanide destruction tests, sedimentation studies and rheology tests. For both Oculto and JAC mineralisation, the main host minerals are quartz, followed by minor amounts of alunite and iron oxide. Comminution tests indicated that Oculto is abrasive and hard requiring size reduction by grinding while JAC is softer and less abrasive.

The metallurgical studies indicated that the ore is amenable to conventional cyanide leaching and gravity recovery. Compared to other gold and silver deposits, the silver recovery of this material was quite high, reaching 80% for both Oculto and JAC mineralisation. Based on the test work on the Oculto mineralisation, the following key processing conditions are recommended:

- Primary grind size of 150 microns.
- Incorporation of gravity concentration and intensive cyanidation circuits.

- Retention time of cyanide leaching of the gravity tails of 36 hours, with a slurry density around 45% solids by weight.
- Six stages of Counter current Decantation (“CCD”) with a wash ratio of three to optimize the solubilized gold and silver recovery.
- One hour of retention time for cyanide destruction.

In late 2023, additional metallurgical tests were conducted on four different zones identified within the Oculto mineralization, being the Silver Enrichment, Shallow Gold, Deep Gold, and Northeast zones. Only gravity concentration and gravity tailings leaching tests were performed. The metal recoveries were slightly higher than those of the composite sample. However, results were in a similar range to the composite studies, as shown in Table 0-1.

Table 0-1: Gravity recovery and gravity tails leach recovery for different mineralized zones

Sample Composite	Gravity Au Distribution		Gravity Ag Distribution		Gravity Tailing Cyanidation Extraction		Overall Recovery Gravity + Cyanidation	
	Conc	Tail	Conc	Tail	Au	Ag	Au	Ag
	%	%	%	%	%	%	%	%
JAC & Fantasma	**17.3**	82.7	**9.1**	90.9	**81**	**87**	**84.3**	**88.2**
Silver Enrichment	**16.2**	83.8	**16.4**	83.6	**84**	**83**	**86.2**	**85.6**
Shallow Gold	**12.3**	87.7	**5.4**	94.6	**87**	**54**	**88.3**	**56.8**
Deep Gold	**8.6**	91.4	**3.3**	96.7	**82**	**82**	**83.7**	**82.6**
Northeast	**10.1**	89.9	**7.5**	92.5	**88**	**80**	**89.3**	**81.7**

A geo-metallurgical model has been developed segregating the deposit into five distinct domains, with overall life of mine ("**LOM**") silver and gold recoveries averaging 83.6% and 86.8%, respectively.

1.8 Mineral Resource Estimate

The updated Mineral Resource estimate for the Diablillos Project, provided in Table 1-2 was estimated by Mr. Peralta, B.Sc., FAusIMM CP (Geo), independent senior resource geologist. The results are based on approximately 606 drill holes (historical and current) totalling 133,000 metres of drilling, including the latest Phase III drill campaign, conducted in 2022/23, which totalled 24,077 metres.

Gold and silver grades were estimated in the block model from Reverse Circulation and Diamond Drill holes, including recent drilling between 2022 and 2023. Industry-standard ordinary Kriging ("**OK**") estimation methodology was used. Bias was reviewed by using a parallel estimation with inverse square distance (ID2). Drill hole intervals have been composited to a length of 1m, which is the average sample length for core sampling. Grade capping has been applied to composited grade intervals on a case-by-case basis within each estimation domain. The estimation domains were defined using a combination of lithology domains, alteration domains, and oxide / sulphide, defining a set of 18 domains for gold and silver in the Oculto and Laderas zone. For JAC and Fantasma zones iso-surface grade shells at 5 g/t AgEq were built, defining four zones for the JAC Zone and 2 zones for Fantasma.

The Mineral Resource estimate was summarized with an effective date of November 22nd, 2023. It has been estimated in alignment with the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**") Estimation of Mineral Resource and Mineral Reserves Best Practices Guidelines (CIM, 2019), and the Mineral Resource estimate has been categorized in accordance with the CIM Standards. It is comprised of Measured, Indicated and Inferred Mineral Resources as summarised in Table 0-2.

The Diablillos PFS Technical Report is considered by Mr. Peralta (Qualified Person, "**QP**") to meet the stated requirements of a Mineral Resource estimate as defined in Canadian NI 43-101 regulations.

Table 0-2: Diablillos Mineral Resource Estimate – As of November 22nd, 2023

Deposit	Zone	Category	Tonnes (000 t)	Ag (g/t)	Au (g/t)	AgEq (g/t)	Contained Ag (koz Ag)	Contained Au (koz Au)	Contained AgEq (koz AgEq)
Oculto	Oxides	Measured	12,170	101	0.95	178	39,519	372	69,523
		Indicated	34,654	64	0.85	133	71,306	947	147,748
		Measured & Indicated	***46,824***	***74***	***0.88***	***145***	***111,401***	***1,325***	***218,335***
		Inferred	3,146	21	0.68	76	2,124	69	7,677
JAC	Oxides	Measured	1,870	210	0.17	224	12,627	10	13,452
		Indicated	3,416	198	0.12	208	21,744	13	22,808
		Measured & Indicated	***5,286***	***202***	***0.13***	***212***	***34,329***	***22***	***36,191***
		Inferred	77	77	-	77	190	-	190
Fantasma	Oxides	Measured	-	-	-	-	-	-	-
		Indicated	683	105	-	105	2,306	-	2,306
		Measured & Indicated	***683***	***105***	***-***	***105***	***2,306***	***-***	***2,306***
		Inferred	10	76	-	76	24	-	24
Laderas	Oxides	Measured	-	-	-	-	-	-	-
		Indicated	464	16	0.91	89	239	14	1,334
		Measured & Indicated	***464***	***16***	***0.91***	***89***	***239***	***14***	***1,334***
		Inferred	55	43	0.57	89	76	1	157
Total	Oxides	Measured	14,040	116	0.85	184	52,146	382	82,975
		Indicated	39,217	76	0.77	138	95,594	974	174,196
		Measured & Indicated	***53,257***	***87***	***0.79***	***151***	***148,275***	***1,360***	***258,087***
		Inferred	3,288	23	0.66	76	2,415	70	8,049

Notes for Mineral Resource Estimate:

1. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
2. The formula for calculating AgEq is as follows: Silver Eq oz = Silver oz + Gold oz x (Gold Price/Silver Price) x (Gold Recovery/Silver Recovery).
3. The Mineral Resource model was populated using OK grade estimation within a three-dimensional block model and mineralized zones defined by wireframed solids, which are a combination of lithology and alteration domains. The 1m composite grades were capped where appropriate.
4. The Mineral Resource is reported inside a conceptual Whittle open pit shell derived using US$ 24.00/oz Ag price, US $1,850/oz Au price, 82.6% process recovery for Ag, and 86.5% process recovery for Au. The constraining open pit optimization parameters used were US $1.94/t mining cost, US $22.97/t processing cost, US $3.32/t G&A cost, and average 51-degree open pit slopes.
5. The MRE has been categorized in accordance with the CIM Standards.
6. A Net Value per block ("**NVB**") cut-off was used to constrain the Mineral Resource with the conceptual open pit. The NVB was based on "Benefits = Revenue-Cost" being positive, where, Revenue = [(Au Selling Price (US$/oz) - Au Selling Cost (US$/oz)) x (Au grade (g/t)/31.1035)) x Au Recovery (%)] + [(Ag Selling Price (US$/oz) - Ag Selling Cost (US$/oz)) x (Ag grade (g/t)/31.1035)) x Ag Recovery (%)] and Cost = Mining Cost (US$/t) + Process Cost (US$/t) + Transport Cost (US$/t) + G&A Cost (US$/t) + [Royalty Cost (%) x Revenue]. The NVB method resulted in an average equivalent cut-off grade of 45g/t AgEq.
7. The Mineral Resource is sub-horizontal with sub-vertical feeders and has reasonable prospects for eventual economic extraction by open pit methods.
8. In-situ bulk density was assigned to each model domain, according to sample averages for each lithology domain, separated by alteration zones and subset by oxidation.
9. All tonnages reported are dry metric tonnes and ounces of contained gold and silver are troy ounces.
10. Mining recovery and dilution factors have not been applied to the Mineral Resource estimates.
11. The Mineral Resource was estimated by Mr. Luis Rodrigo Peralta, B.Sc., FAusIMM CP (Geo), Independent Qualified Person under NI 43-101.
12. Mr. Peralta is not aware of any environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues that could materially affect the potential development of the Mineral Resource.

13. All figures are rounded to reflect the relative accuracy of the estimates. Minor discrepancies may occur due to rounding to appropriate significant figures.

1.9 Mineral Reserve Estimate

The Mineral Reserve estimate for the Diablillos Project, provided in Table 0-3 was estimated by Mr. Fuentealba, MAusIMM, P. Eng. (QP). It is based on the Mineral Resource block model documented in the Mineral Resource estimate (Section 14 of the Diablillos PFS Technical Report). The Mineral Reserves are calculated using a combination of the ultimate open pit design (Section 15 of the Diablillos PFS Technical Report) and the production schedule (Section 16 of the Diablillos PFS Technical Report).

The Mineral Reserve estimate for the Diablillos Project, with an effective date of March 7th, 2024, has been estimated and classified based on the CIM's Estimation of Mineral Resource and Mineral Reserves Best Practices Guidelines (CIM, 2019) and is reported in accordance with the NI 43-101.

Maiden Proven & Probable (P&P) Mineral Reserves containing 210 Moz of AgEq metal (42.3 Mt at 91 g/t Ag & 0.81 g/t Au) have been estimated.

Table 0-3: Mineral Reserve Estimate - Diablillos Project, Salta, Argentina. By category, all domains - As of March 7th, 2024

Mineral Reserve (all domains)	Tonnage (Mt)	Au (g/t)	Ag (g/t)	AgEq (g/t)	Contained Ag (000 oz Ag)	Contained Au (000 oz Au)	Contained AgEq (000 oz AgEq)
Proven	12.4	0.86	118	185	46,796	341	73,352
Probable	29.9	0.80	80	142	76,684	766	136,267
Total Proven and Probable	**42.3**	**0.81**	**91**	**154**	**123,480**	**1,107**	**209,619**

Notes for Mineral Reserve Estimate:

1. The Mineral Reserves have an effective date of March 07, 2024.
2. The Qualified Person for the Mineral Reserves Estimate is Mr. Miguel Fuentealba, P. Eng.
3. Mineral Reserves were estimated using the CIM Standards, prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.
4. The Mineral Reserves are based on a pit design which is aligned with the ultimate pit selected during the optimization process performed at Whittle.
5. Estimated reserves at a sale price of US$1,750 per ounce of Au and US$22.5 per ounce of Ag.
6. Variable mining cost per bench and type of material was applied. Average cost of 1.94 US$/t for all lithologies, except for cover, where a cost of 1.73 US$/t is applied.
7. Processing cost for all zones is US$22.97/t.
8. Infrastructure, general, and administrative costs amount to US$3.32/ton.
9. The average pit angles range from 37° to 60°, depending on the geotechnical zone domain.
10. The average recovery is estimated at 82.6% for silver and 86.5% for gold.
11. The formula for calculating Ageq is Ag eq oz = Ag oz + Au oz x (Au Price/Ag Price).
12. Mineral Reserves Estimates have been categorized according to the CIM Standards.
13. A net value per block ("NVB") was used to restrict the Mineral Reserves within the pit shell. The NVB is based on "Profit = Revenue - Costs", being positive, where, Revenue = [(Au Price (US$/oz) - Au Sales Cost (US$/oz) x (Au Grade (g/t)/31.1035))x Au Recovery (%)]+[(Ag Price (US$/oz) - Ag Sales Cost (US$/oz) x (Ag Grade (g/t)/31. 1035) x Ag Recovery (%) and cost as, Cost = Mine Cost (US$/t) + Process Cost (US$/t) + Transportation Cost (US$/t) + General and Administrative Costs (US$/t) + [Royalty Cost (%) x Revenue]. The NVB method matches an equivalent cut-off grade of 46 g/t Ageq.
14. In situ density is read directly from the block model, previously assigned for each domain during the Mineral Resource estimation process, according to averages of samples from each lithological domain, separated by alteration and oxidation zones.
15. All tonnages reported are in dry metric tons and ounces of gold and silver contained in troy ounces.
16. Mining plan considers 298 Mt of waste rock, corresponding to a waste to ore ratio of 6.7. Waste rock from period -2 is considered CAPEX (as defined below).
17. Ore is considered to be that which complies with profit greater than zero, measured or indicated resource, is within the designed operating phases, oxidation state is oxide, any lithology except cover.
18. Recoveries were estimated by geometallurgical domain within each block.
19. Figures are approximate due to rounding.
20. Au and Ag metal is considered in situ.

1.10 Mining Method

Being a large, near-surface orebody, the Diablillos Project will be developed as an open pit mining operation. Waste and ore from the JAC and Oculto zones will be drilled and blasted, loaded by hydraulic shovels and loaders, and transported by haul trucks to external waste storage facilities (WSF). Long-term stockpiles, or a run-of-mine ("**ROM**") pad will be used to feed a primary crusher for mineral processing. The colluvium cover over the JAC Zone only requires ripping and bulldozing prior to transportation.

An optimal processing throughput rate of 9,000 tonnes per day ("**tpd**") was established in accordance with the raw water availability coming from the Barranquillas drainage system. Opportunities to further increase plant throughput with additional raw water supply will be reviewed during the next stage of study. The plant throughput rate of 9,000 tpd became the basis of all subsequent mine planning with the objective of ensuring consistent processing feed. The project has several stockpile facilities to allow blending and to feed higher grade mineralisation to the mill while stockpiling low-grade for future processing.

The PFS considers only one mineral processing flowsheet based on previous trade-off studies of different process technologies. The processing flowsheet includes comminution and gravity recovery followed by intense cyanidation, tank leaching, Merrill-Crowe recovery and foundry. Below cut-off grade mineralization is treated as waste in this study, although a preliminary internal study indicated that ore with marginal grades could be amenable to other low-cost treatment technologies. This will be confirmed by further test work if warranted by further studies planned at the next stage of the project. The current mine plan calls for grade control only to differentiate waste from ore and direct feed ore from stockpiled ore. The project has provisioned a dump location for marginal ore for future treatment.

1.11 Recovery Methods

The metallurgical test-work program indicated that gold and silver will be recovered primarily through cyanidation followed by the Merrill-Crowe process. The nameplate capacity for the process plant is 9,000 tpd which corresponds to 3.15 million tonnes per year based (tpa) on 350 plant operating days. Based on the latest Mineral Reserve estimate, this results in a mine life of approximately 14 years.

The process plant includes the following individual process circuits:

- Primary crushing: reducing the ROM material to a P80 of 150 microns.
- Coarse ore stockpile: with a live capacity of 13,000 tonnes.
- Grinding circuit: comprised of one SAG mill and one ball mill operating in closed circuit with hydro cyclones, reducing the particle size to approximately 150 microns. The hydro cyclones overflow will be thickened to around 45% solids by weight for the downstream tank leaching.
- Gravity Recovery and Intensive Cyanidation circuit: Two Gravity concentrators will be installed receiving a portion of hydro cyclones underflow, the gravity concentrate will be flushed into an intensive cyanidation circuit, with the gravity tails reporting back to the ball mill. The gold and silver recovered from the intensive cyanidation will be in the solution phase and report to the pregnant solution tank feeding the Merrill-Crowe plant, while the solid tails report back to the ball mill circuit.
- Leaching tanks: a total of eight 15 m x 20 m agitated slurry tanks will be installed to provide a total leaching retention time of 36 hours. Lime and cyanide will be dosed into the leaching tanks to maintain a slurry pH around 10.5 and a cyanide concentration around 1.5 grams per litre in the first of several tanks. Air will be sparged into the slurry tanks to maintain a proper Dissolved Oxygen ("**DO**") level.

- CCD circuit: A total of six stages of CCD will be installed. The CCD thickeners underflow will be maintained around 55% solids by weight, and the wash ratio will be controlled at 3.0 to optimize the gold and silver recovery. For JAC material, due to the increased slurry viscosity, CCD thickener underflow will be maintained around 50% solids by weight. The overflow from the last stage CCD thickener will report to a clarifier, which further reduces the total suspended solids (TSS) level of the pregnant solution.
- Merrill-Crowe circuit: The solution recovered from the CCD circuit will be stored in a pregnant solution tank which feeds the Merrill-Crowe plant. The pregnant solution will be pumped through four diatomaceous earths (DE) coated solution clarifiers to reduce TSS levels to less than 1 ppm. The clarified solution will flow through two deaeration towers and reduce the solution DO level to approximately 0.5 ppm. This will then be pumped through four precipitation filter presses by an inline booster pump. Zinc powder will be metered into the solution feed pipe to the filter presses to precipitate out gold and silver. The barren solution from the filter presses will be collected in a barren solution tank, then either recycled to the tank leach circuit or to the CCD circuit.
- Foundry: The precipitated cake will be transferred to a retort furnace to remove moisture and mercury, then mixed with flux and placed in a smelting furnace to obtain the Doré. The generated slag will be crushed and recycled back to the grinding circuit for reprocessing.
- Tailings handling: The washed tailings solids from the CCD circuit will be pumped to the cyanide destruction circuit to minimize the cyanide content in the tailings stream. The detoxed tailings will report to the tailings thickener and then to the tailings storage facility ("**TSF**"). The tailings thickener overflow and the supernatant from the TSF, if any, will be recovered to the process water circuit.

1.12 Project Infrastructure

Project infrastructure is mostly comprised of construction and operation service facilities to support plant operations. It has been designed to minimise footprint and distances while complying with safety requirements. Service facilities include:

- Construction and Operation camp with corresponding access control facilities to all different project areas, accommodation, canteen, medical station, emergency station, and main site offices.
- The contractor's yard will be established by relocating the current exploration camp, to minimise costs during construction. The yard design will consider the installation of all utilities required for its operation, including water, power, and sewage networks.
- The service hub will be composed of the main maintenance steel building (i.e. truck-shop), main warehouse, lay-down area, plant, mine offices, metallurgical laboratory, chemical laboratory, main fuel farm and fuel dispatch.
- Power to the project will be supplied by a combined diesel-photovoltaic power plant. The diesel generators will be installed in a centralized location and integrated with a solar array. Off-site facilities will be powered by mobile generator sets installed at each of their location.
- A TSF and Waste Rock Facilities (WRF) have been located at the closest possible location to the plant and mine with adequate capacity to store the tailings and waste produced over the LOM. The TSF is a cross-valley type storage facility and will be fully lined and constructed in five phases using the downstream construction method.
- A raw water wellfield with sufficient capacity (Barranquillas district) has been identified, explored, and tested and secured to supply process water to the project.
- Clay and concrete aggregate quarries have been identified and materials suitable for construction have been successfully tested.
- Internal roads have been designed so mine equipment traffic is always segregated.

Figure 0-2 shows a general view of the proposed project facilities and infrastructure.

Figure 0-2: Proposed project facilities general overview

Source: AbraSilver 2024

1.13 Market Studies and Contracts

No relevant market studies were performed, as Diablillos will produce silver and gold Doré bars, which are a readily saleable.

Price assumptions for the economic analysis were 2,050 USD/oz and 25.5 USD/oz for gold and silver respectively.

No contracts have been signed for further project development, but the most important procurement packages were identified and classified as supply, construction, or service packages. This allowed current budgetary quotations to be sought for the capital and operating cost estimation and will serve as a firm basis for future procurement.

1.14 Environmental Studies, Permitting and Social or Community Impact

The detailed list of environmental and permitting requirements are presented in Chapter 20 of the Diablillos PFS Technical Report. Permits require joint approval the provincial agencies of Salta and Catamarca.

Other sectorial permits that will be required from different government agencies include:

- Work authorization for foreign staff.
- On-site bulk fuel storage.
- Domestic and industrial effluents generation and disposal.
- Explosives storage and use.
- Chemical precursors storage and use.
- Raw water pumping and consumption.
- Mine operations.
- Communications.

On September 4th, 2024, AbraSilver announced the completion of the EIA Stage Production. This EIA report considers the socio-economic impact, environmental, water management and power supply impacts. The EIA was presented to the government agencies of Salta and Catamarca simultaneously on the September 30th, 2024.

Local communities have expressed support for the development of mining projects in general and for Diablillos in particular.

1.15 Capital and Operating Costs

Capital and operating cost estimates were prepared by Bmining Chile, INSA Consultora, Envis Consulting, and AbraSilver with Mining Plus compiling the study. Unless otherwise noted figures are quoted in USD.

(a) Capital Costs

The capital cost estimate ("**CAPEX**") for the Diablillos Project follows AACE Class 4 standards with an accuracy range of ±25%. While some components deviate slightly, the overall estimate aligns with the expected precision for a PFS.

The total life of mine capital investment including initial and sustaining capital for the Diablillos Project are displayed in Table 0-4.

Table 0-4: Total life - CAPEX Summary

Description	Initial Capital (MUSD)	Sustaining Capital (MUSD)	Total (MUSD)
Mining	128.6	27.1	155.7
Processing plant	111.7	-	111.7
Infrastructure	166.7	49.1	215.8
Owner and Indirect cost	110.2	0.3	110.6
Contingency	26.3	-	26.3
Total capital	543.5	76.5	620.0

*Note: Values may not sum due to rounding.

The project will take 36 months to complete from Final Investment Decision to first silver production.

Budgetary quotations and factored estimates were used in the Diablillos PFS Technical Report. Due to the economic situation in Argentina, local quotations were normalized to USD values at the time of quotation and reported as such.

Approximately 80% of the capital costs are based on quotations. Over 60% of equipment, supplies, construction, and service procurement packages will be sourced locally.

The mining closure amount of 26 MUSD and considers the dismantling of the plant, infrastructure, site rehabilitation and monitoring.

(b) Operating Costs.

The operating cost estimate is based on an owner-operated truck and shovel mining operation, conventional processing plant, and TSF with power provided from an on-site combined solar-diesel power plant.

Operating cost details are estimated from a combination of direct quotes and first principal calculations. The average unit cost per tonne processed at LOM is 45.4 USD/t with processing cost accounting for 50% of the share, followed by mining cost with 32% and the remainder being G&A, logistics and service costs (see Table 0-5).

Table 0-5: Summary of operating cost

Description	LOM Cost (MUSD)	Unit cost (US$/t milled)
Mining	613.8	14.50
Processing, utilities and maintenance	961.3	22.71
G&A and logistics	165.6	3.91
Camp and service	181.8	4.29
Total OPEX	1,922.5	45.42

1.16 Economic Analysis

AbraSilver and Mining Plus developed the project's economic model using capital and operating cost inputs provided by INSA Consultora, Bmining Chile, Envis Consulting, and AbraSilver. The model adheres to recognized engineering and financial standards, ensuring accuracy. Unless stated otherwise, all monetary values are in US dollars.

The analysis assumes 100% equity financing and incorporates the incentives introduced under Argentina's Large Investment Incentive Regime ("**RIGI**"), enacted in July 2024. Key benefits include a reduction in the federal corporate income tax rate from 35% to 25%, elimination of export duties on gold (from 8%) and silver (from 4.5%), and accelerated tax depreciation for plant and equipment. Tax reductions under RIGI are effective for a 30-year period, which more than covers the period evaluated for economic evaluation. RIGI is described in detail in Chapter 22 of the Diablillos PFS Technical Report.

The evaluation covers a three-year construction and pre-operational stage, followed by a 14-year production period. The net present value ("**NPV**") at a 5% discount rate is calculated from the start of construction. Key financial metrics include NPV, the internal rate of return ("**IRR**"), and the payback period, based on annual cash flow projections derived from capital expenditures, production costs, and silver/gold revenues. The Table 0-6 summarizes the financial results.

Table 0-6: Summary of financial result

Item	Unit	Value
Gold price	**$/Oz**	**2,050**
Silver price	**$/Oz**	**25.5**
After-Tax NPV @5%	**M$**	**747**
After-Tax IRR	**%**	**27.60%**
Pre-Tax NPV @5%	M$	1,114
Pre-Tax IRR	%	35.60%
Life of Mine (LOM)	years	14
Average Annual Production - Au (LOM)	oz	71,852
Average Annual Production - Ag (LOM)	Koz	7,613

Item	Unit	Value
Average Annual Production - AgEq (LOM)	Koz	13,362
Average Annual Production - Au (Year 1 to 5)	oz	58,740
Average Annual Production - Ag (Year 1 to 5)	Koz	11,694
Average Annual Production - AgEq (Years 1 to 5)	Koz	16,384
Total Production - Au	Koz	962
Total Production - Ag	Koz	103,193
All-In Sustaining Cost (LOM)	$/oz AgEq	12.67
All-In Sustaining Cost (Year 1 to 5)	$/oz AgEq	11.23
All-In Sustaining Cost (LOM)	$/oz AuEq	1,019
All-In Sustaining Cost (Year 1 to 5)	$/oz AuEq	903
Head Grade - Au (LOM)	g/t	0.81
Head Grade - Ag (LOM)	g/t	91
Head Grade - AgEq (LOM)	g/t	159
Recovery Au (LOM)	%	86.80%
Recovery Ag (LOM)	%	83.60%
Head Grade - Au (Year 1 to 5)	g/t	0.71
Head Grade - Ag (Year 1 to 5)	g/t	143
Head Grade - AgEq (Year 1 to 5)	g/t	201
Recovery Au (Year 1 to 5)	%	85.20%
Recovery Ag (Year 1 to 5)	%	83.50%
Initial Capital Expenditure (Contingency included)	M$	544
Sustaining Capital Cost	M$	77
Mine Life Operating Costs	$/t processed	45.4
Payback	years	2

The economic analysis was performed on the following assumptions and basis:

- The financial analysis was performed on Proven and Probable Mineral Reserves.
- The LOM NPV was determined on a pre-tax and after-tax basis.
- Annual cash flows used for NPV calculations are assumed to be realized at year-end.
- All costs and sales do not consider inflation or escalation factors.
- All gold and silver sales are assumed to occur in the period they are produced.
- Details of capital and operating costs are provided in Chapter 21 of the Diablillos PFS Technical Report.
- Cash flows include payment of royalties.
- Final closure costs are included in the period incurred.
- The financial analysis includes working capital.
- Taxes considers RIGI.
- After-tax results and royalty payments were provided by AbraSilver.
- Mining Plus has been guided by Lisicki Litvin & Asociados for tax modelling.

Sensitivity Analysis

Mining Plus conducted a sensitivity analysis of the after-tax NPV and IRR based on various parameters of the economic evaluation. The key sensitivities are presented in Table 0-7.

Table 0-7: NPV and IRR sensitivity

Sensitivity Analysis			
	Conservative	**Base Case**	**Spot price***
Silver Price			
Silver Price ($/oz)	23.5	25.5	30.7
NPV@5% after tax (US$ M)	638	747	1031
IRR after tax	24.5%	27.6%	35.5%
Gold Price			
Gold Price ($/oz)	1850	2050	2651
NPV@5% after tax (US$ M)	661	747	1007
IRR after tax	26.0%	27.6%	32.0%
Operating Costs			
Operating Costs	-10%	45.5 $/t ore	10%
NPV@5% after tax	845	747	649
IRR after tax	29.8%	27.6%	25.4%
Capital Costs			
Capital Costs	-10%	647 MUSD **	10%
NPV@5% after tax	803	747	691
IRR after tax	31.3%	27.6%	24.5%
Discount rate			
Discount rate	5%	8%	10%
NPV@5% after tax	747	552	448

* Spot Price as at close on November 29th, 2024, per https://www.lbma.org.uk
** Value considers sustaining capital and mine closure cost

1.17 Project Execution – RIGI Context

The Project Execution Plan ("**PEP**") includes all the activities for implementing the Diablillos project to first silver and gold production, including pre-construction planning required to reach an investment decision for the project. The strategy of the PEP is to deliver the project within the timeframe to capture the economic incentives offered under RIGI, the new congressional law for large investments.

The incentives for RIGI are offered for projects with a total investment amount greater than 200 MUSD. The RIGI application window opened in July, 2024 and closes in July, 2026. Upon qualifying for RIGI, 40% of the total investment must be spent within 24 months. The mechanism and benefits of RIGI are described in greater detail in Chapter 22 of the Diablillos PFS Technical Report.

The key milestones leading up to FID are as follows:

- EIA approval
- Completion of the DFS (as defined below)
- RIGI approval.

These three key milestones will be complete by Q1, 2026. The PEP allows for up to five months to secure financing to reach FID, which is planned for the end of Q2, 2026. On this basis, the milestone of achieving the 40% investment (24 months after RIGI approval) is Q1, 2028. This can be comfortably met under the current PEP, which achieves the 40% investment milestone by mid Q2, 2027.

1.18 Adjacent Properties

Adjacent properties are mostly focused on developing lithium projects. Centenario-Ratones – Eramine Sudamérica and Sal de Oro – Posco are all under construction. Arcadium Lithium, formerly Livent/FMC, has however been in production since the 1990s. Other lithium projects are in early development stages. Consequently, these projects will not be competing for resources during construction with Diablillos.

A joint venture between Salta Exploraciones and Litio Minera Argentina has a small production from an artesian brine well but is focused on expanding production on the Diablillos Salar. This may compete for resources.

Metallic projects are mostly in early exploration stages and no competition for resources is expected.

A preliminary Project Execution Plan and Procedures Handbook has been outlined. This details execution strategy, procedures, and a milestone schedule to identify the critical paths and key long lead items.

1.19 Conclusions, Recommendations, Opportunities

(a) Conclusions:

The current PFS shows that Diablillos is a well-advanced project that warrants advancement to a Definitive Feasibility Study ("**DFS**"). This is supported by the following positive factors:

- The robust Mineral Resource estimate described in the Diablillos PFS Technical Report.
- Exploration targets with potential to the expand the Mineral Resource base.
- A high conversion factor from current Mineral Resources into Mineral Reserves of 90%.
- High average recoveries of 83.6% for silver and 86.8% for gold.

- A conventional open pit operation with a mill throughput of 9,000 tpd and a mine life of approximately 13.5 years, and potential for expansion.
- A conventional silver/gold processing plant flowsheet incorporating crushing, grinding, gravity concentration, an intense cyanidation circuit, cyanide leaching with oxygen addition, counter current decantation washing thickeners and Merrill-Crowe precious metal recovery followed by on-site smelting to Doré bars.
- Very positive and supportive relationships with nearby communities.
- A comprehensive Environmental Baseline Study and an EIA presented to the local authorities is currently under revision for approval.
- Attractive project economics.

It is the consensus of the authors of the Diablillos PFS Technical Report that the Project has sufficient data, technical analysis, planning and design to proceed to a DFS.

(b) Recommendations:

Based on the Diablillos PFS Technical Report the following tasks are recommended:

- Improve the structural knowledge of the deposits with surface mapping of outcrops, and/or with information from oriented drill core or televiewer methods to determine the physical and elastic properties of the identified geotechnical domains.
- Improve the structural knowledge of the deposit based on interpretation of faults and lineaments combined with magnetometry, defining potential areas for exploration.
- Additional geotechnical holes should be drilled to increase open pit slope stability knowledge.
- Water table reconnaissance drilling should be carried out to determine dewatering requirements during mining operations.
- In-fill drilling should continue at Oculto in areas of current Indicated and Inferred Mineral Resources where confidence could be improved.
- Conduct definition drilling in the northeast of Oculto, using both in-fill and step-out holes.
- Definition drilling should be conducted between the Oculto and Fantasma zones, and between the JAC and Alpaca zones, to determine the continuity between the existing zones and potentially add resources.
- Evaluate lower cost processing options that may allow mineralisation currently below cut-off grade to become economic and be included in the Mineral Resource and Reserve estimates. This could include additional bottle roll tests and column leach studies.
- An evaluation of mineralisation in the underlying sulphides could be carried out together with metallurgical test work.

The following tasks are recommended for the Definitive Feasibility Study:

- Review the mine plan in combination with additional geotechnical drilling to reduce the strip ratio and improve the mine plan without compromising open pit stability.
- Based on metallurgical tests, the JAC mineralisation behaves slightly differently from Oculto in the areas of comminution, CCD, solid/liquid separation, and slurry rheology. It is recommended that these differences be further examined to optimise processing through ore blending.
- The plant throughput of 9,000 tpd was based on the current raw water availability granted by the Hydric Resources Secretary. A larger plant throughput has been discussed as possible but will require further exploration for water.

- Power is the second largest process operating cost, and securing a connection to the national grid is recommended.
- Review the Tailings Storage Facility design and perform another more detailed dam break studies commensurate with a DFS.
- Develop Detail Engineering for Bulk Earthworks and Construction Support facilities (i.e. roads and facilities platforms, camp and service hub, raw water supply, etc.) to allow for an immediate construction start after investment decision, while detail engineering for the rest of the plant and facilities can be performed during the first year of construction.

Table 0-8 presents a budget for the recommended tasks to perform:

Table 0-8: Recommended Tasks Budget Summary

Description	Cost in USD
Engineering & Preparation of a DFS Report	6,000,000
Site investigation and water exploration	2,000,000
Metallurgical test work, geotechnical test work, other studies	1,000,000
Total	**9,000,000**

RISK FACTORS

The Company's ability to generate revenues and profits from its mineral properties, or any other mineral property it may acquire, is dependent upon a number of factors. The risks and uncertainties described below as well as the other information contained in this AIF should be carefully considered. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair its business operations. If any of these events actually occur, AbraSilver's business, prospects, financial condition, cash flows and operating results could be materially harmed.

Investing in an emerging market entails certain inherent risks

The Company conducts or participates in mining, development, exploration, and other activities in Argentina, which is an emerging market. Investing in emerging markets generally involves risks, which may include:

- expropriation or nationalization of property;
- changes in laws or policies or increasing legal and regulatory requirements of particular countries, including those relating to taxation, royalties, imports, exports, duties, currency, in-country beneficiation or other claims by government entities, including retroactive claims and/or changes in the administration of laws, policies and practices;
- uncertain political and economic environments, war, terrorism, sabotage and civil disturbances;
- lack of certainty with respect to legal systems, corruption and other factors that are inconsistent with the rule of law;
- delays in obtaining or the inability to obtain or maintain necessary governmental permits or to operate in accordance with such permits or regulatory requirements;
- import and export regulations, including restrictions on the export of gold, silver or other minerals;

- limitations on the repatriation of earnings;
- underdeveloped industrial or economic infrastructure;
- internal security issues;
- increased financing costs;
- renegotiation, cancellation or forced modification of existing contracts; and
- risk of loss due to disease, and other potential medical endemic or pandemic issues, as a result of the potential related impact to employees, disruption to operations, supply chain delays, trade restrictions and impact on economic activity in affected countries or regions.

Argentina may experience economic problems that could affect the Company's business, financial condition and result of operations

The Company's material project is located in Argentina, and it depends upon local economic and social conditions. As a result, the Company's business, financial position and results of operations may be affected by the general conditions of the Argentine economies, price instability, inflation, interest rates, regulation, taxation, social instability, political unrest and other developments in or affecting Argentina, over which the Company has no control. Economic and political instability that has been caused by many different factors, including the following:

- adverse external economic factors;
- inconsistent fiscal and monetary policies;
- dependence of governments on external financing;
- changes in governmental economic policies;
- high levels of inflation;
- abrupt changes in currency values;
- high interest rates;
- volatility of exchange rates;
- political and social tensions;
- exchange controls;
- wage and price controls;
- the imposition of trade barriers; and
- trade shock.

Any of these factors could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

The economy of Argentina is vulnerable to external shocks caused by significant economic difficulties of their respective trading partners, or by more general "contagion" effects

Weak, flat or negative economic growth or changes in international trade policy of the major trading partners of Argentina could adversely affect its balance of payments and, consequently, its economic growth. Decreased growth affecting such major trading partners could have a material adverse effect on the markets for exports from Argentina, and, in turn, adversely affect economic growth. The Argentine economy may be affected by “contagion” effects. International investors’ reactions to events occurring in one developing country sometimes appear to follow a “contagion” pattern, in which an entire region or investment class is disfavored by international investors. In particular, Argentina has been adversely affected by such contagion effects on a number of prior occasions, including the 1994 Mexican financial crisis, the 1997 Asian financial crisis, the 1998 Russian financial crisis, the 1999 devaluation of the Brazilian real, and the 2001 collapse of Turkey’s fixed exchange rate regime. Additionally, economic growth was negatively affected as a result of the 2008 global financial crisis, and more recently, the COVID-19 pandemic. Similar developments can be expected to affect the Argentine economy in the future, and may accordingly affect the Company’s business, financial position, operations, and results of operations.

We have operations in a country known to experience high levels of corruption and any violation of anti-corruption laws could subject us to penalties and other adverse consequences

We are subject to anti-corruption, anti-bribery, anti-money laundering and other international laws and regulations and are required to comply with the applicable laws and regulations of Argentina and Canada. In general, these laws prohibit improper payments or offers of payments to governments and their officials, political parties, state-owned or controlled enterprises, and/or private entities and individuals for the purpose of obtaining or retaining business. In addition, we are subject to economic sanctions regulations that restrict our dealings with certain sanctioned countries, individuals and entities. Our primary operations are located in Argentina, which is perceived as having relatively high levels of corruption. Our activities in this country create the risk of unauthorized payments or offers of payments by one of our employees, contractors, agents, or users that could be in violation of various laws, including anti-bribery laws in these countries. In addition, our ability to secure permits, renewals or other government approvals required to maintain our operations could be negatively impacted by corruption in one or more governmental institutions in Argentina. We have adopted various measures which mandate compliance with these anti-corruption, anti-bribery, and anti-money laundering laws, and have implemented training programs, compliance controls and procedures, and reviews and audits to ensure compliance with such laws. However, there can be no assurance that our internal controls, and procedures will be sufficient to prevent or detect all inappropriate practices, fraud or violations of such laws, regulations and requirements by our affiliates, employees, directors, officers, partners, agents and service providers, or that any such persons will not take actions in violation of our policies and procedures, for which we may be ultimately responsible. Any violations by us of anti-bribery and anti-corruption laws or sanctions regulations could have a material adverse effect on our business, reputation, results of operations and financial condition. We cannot predict the nature, scope or effect of future anti-corruption regulatory requirements to which our operations might be subject or the manner in which existing laws might be administered or interpreted.

Argentina has experienced significant political and socio-economic instability in the past, and may experience further instability in the future

Argentina has experienced significant political and social economic instability in the past and may experience further instability in the future. In 2001 and 2002, Argentina suffered a major political, economic and social crisis, which resulted in institutional instability and a severe contraction of the economy with significant increases in unemployment and poverty rates. Among other consequences, the crisis caused a large currency devaluation and led to the government of Argentina defaulting on its external debt. In response, the government of Argentina implemented a series of emergency measures, including strict foreign exchange restrictions and monthly limits on bank withdrawals, which affected public companies and other sectors of the Argentine economy. The Argentine economy experienced a recovery after the 2001

– 2002 crisis, however, since 2008, it has struggled to curb strong inflationary pressures and growth stagnated starting in 2012.

During the first half of 2018, the Argentine economy entered into an acute economic recession, which deepened in 2019, with a sharp decrease in international reserves, a material loss in the value of the Argentine peso vis-à-vis the US dollar, high inflation and unemployment rates and an increase in poverty and extreme poverty rates. Against this economic backdrop, in December 2019, the Argentine congress enacted legislation declaring a state of public emergency in economic, financial, fiscal, administrative, pensions, tariff, energy, health and social matters, which legislation is still in force.

Argentina has faced ongoing economic instability in recent years. The COVID-19 pandemic exacerbated pre-existing issues, leading to deeper recessions, higher poverty, and inflation rates exceeding 40% by 2021. The peso continued to depreciate, and inflation remained persistently high, surpassing 90% by 2022.

In 2022, Argentina reached a deal with the IMF to restructure its US$45 billion debt, involving unpopular austerity measures. The rise of libertarian candidate Javier Milei reflected widespread dissatisfaction with traditional political parties, advocating for drastic neoliberal reforms.

In the 2023 presidential election, Milei won, promising economic overhauls like dollarization and cutting public spending. His victory marked a potential shift in Argentina's approach to its economic problems, though uncertainty remains about the effectiveness of his policies.

By 2024, Argentina's economy improved under President Javier Milei, with inflation reduced and some stabilization of the peso. His pro-market reforms sparked debate but helped restore investor confidence and prompted signs of recovery. While poverty remains a challenge, the outlook is more hopeful compared to previous years. The long-term impact of his policies and the IMF deal will continue to shape the country's future. Argentine economic conditions are dependent on a variety of factors, including (but not limited to) the following:

- international demand for Argentina's principal exports;
- international prices for Argentina's principal commodity exports;
- stability and competitiveness of the Argentine Peso with respect to foreign currencies; competitiveness and efficiency of domestic industries and services;
- levels of domestic consumption and foreign and domestic investment and financing; and
- the rate of inflation.

Argentina's ability to obtain financing from international markets is limited. Without renewed access to the financial market the Argentine government may not have the financial resources to implement reforms and boost growth, which could have a significant adverse effect on the country's economy and, consequently, on our activities. In addition, the Argentine government has engaged in conversations with the International Monetary Fund in order to renegotiate the principal maturities of certain amounts disbursed in 2018 and 2019, and it is uncertain whether the Argentine government will be successful in the negotiations with that agency.

Since December 10, 2023, there is a new Government in Argentina led by President Javier Milei, a libertarian economist who won the election by mainly proposing that he would reduce the fiscal deficit, eliminate the inflation, dollarize the currency and make significant administration and fiscal reforms. In April 2024 the new Government sent to the Argentine Congress, for its legislative approval, two bills dealing with the proposed administration and fiscal reforms which were passed by the House of Representatives and are still under discussion by the Senate. Among the provisions proposed in these bills, there is a new regime providing incentives for large investments. This proposed regime (called RIGI) provides that for large investments, including investments in respect of the resource sector, of US $200 million or more, the following incentives will apply: (i) reduction of income tax from 35% to 25%, (ii) suspension of the tax on distributed dividends if profits are retained in the first three years, (iii) cancellation of VAT with tax credit certificates, (iv) discount of personal assets tax on account of profits, (v) invitation to provinces and municipalities to adopt similar regimes, (vi) 0% tariff for imports, (vii) 0% export duties as from the third year, (viii) free availability of export proceeds abroad as from the third year (going from 20% the first year, 40% the second year and 100% from the third year) and (ix) fiscal stability for 30 years including taxes, FX regime and customs tariffs. The companies will have a two-year term to adhere to the regime once enacted through a process detailed in the bill.

The ultimate impact of each of these measures on the Argentine economy as well as the ability to implement all announced measures as currently contemplated, cannot be assured. If the government of Argentina's agenda cannot be successfully implemented, the result may further weaken confidence in and adversely affect the Argentine economy and financial condition. Any worsening in the Argentine economy or financial condition could have a material adverse effect on companies operating in Argentina, including the Company.

Argentina is subject to frequent and unpredictable changes in tax rates, capital controls, and foreign exchange restrictions, which may restrict or affect the profitability of the Company's operations in Argentina

In the past, Argentine tax laws have changed frequently and dramatically. In 2018, the government of Argentina re-introduced a decree imposing a temporary tax on all exports from Argentina. The tax was introduced as an emergency measure due to the significant peso devaluation during the year. In December 2019, the government of Argentina approved a law delaying a scheduled corporate tax rate decrease from 30% to 25% to the end of 2020 (after that the government submitted a bill in order to maintain the 30% rate until the end of 2021) and extending the temporary export tax introduced in September 2018 to the end of 2021. Furthermore, the decree suspended the increase in the dividend withholding tax from 7% to 13% until January 2021. Later, the National Congress approved a bill by which it would permanently increase the corporate tax rate to 35% for certain types of companies and maintain the 7% rate for dividends

Argentine federal, provincial and other local taxation authorities may apply tax rules and regulations in an inconsistent and unpredictable manner. In addition, tax rules and regulations may change over time. If any taxation authority takes a position or adopts an interpretation that differs from those adopted by Company, we could become subject to unanticipated tax liabilities and cost increases, which could negatively affect our financial condition and results of operations.

Since 2001, following a run on the financial system triggered by the public's lack of confidence in the continuity of the convertibility regime that resulted in massive capital outflows, the government of Argentina introduced exchange controls and restrictions on the transfer of foreign currency in an attempt to prevent capital flight and a further depreciation of the Argentine peso. From 2011 until December 2015, the government of Argentina increased controls on the sale of foreign currency and the acquisition of foreign assets by local residents, limiting the possibility of transferring funds abroad. Regulations were introduced in 2012 that subjected certain foreign exchange transactions to prior approval by Argentine tax authorities or the Central Bank of Argentina. In August 2016, the government of Argentina eliminated all foreign exchange restrictions imposed since 2011 that were reinstated later on by the same government. In the following years, the Central Bank of Argentina imposed further restrictions on foreign exchange transactions.

These controls and regulations have included, but are not limited to, a requirement that proceeds of exports be repatriated at the applicable exchange rate; restrictions on payment of dividends without the approval of the Argentinian Central Bank; and restrictions on debt from foreign lenders, unless such debt is brought into Argentina at the applicable exchange rate.

Under President Javier Milei, Argentina has introduced significant economic reforms, including an easing of certain of the more stringent market restrictions. Since taking office in late 2023, the government has been working to stabilize the Argentine peso, reduce inflation and taxes, and encourage foreign currency inflows. As part of his broader economic agenda, Milei has also taken steps to limit the use of the Central Bank's foreign reserves to control the pressure on the currency. However, certain exchange controls, such as restrictions on dividend repatriations and foreign debt, remain in place to avoid further destabilizing the financial system.

Additionally, a significant new development under Milei's presidency is the introduction of the Régimen de Inversiones Globales y Externas ("**RIGI**"), a program aimed at incentivizing foreign investments into Argentina. RIGI offers tax exemptions and other benefits to foreign investors who bring capital into the country, particularly in strategic sectors such as mining and energy. The initiative is designed to attract much-needed foreign capital, improve the business climate, and foster economic growth.

Although Milei's economic policies aim to create a more open and predictable environment for investors, the future remains uncertain. Any further changes to tax rates, capital controls, or foreign exchange regulations, as well as the effectiveness of Milei's reforms, could impact operating costs at the Diablillos Project and affect the company's ability to receive distributions from its Argentine subsidiaries. These changes highlight the ongoing volatility and the need to monitor government actions closely.

Risk of nationalization of mining assets in Argentina

In May 2012, the previous government of Argentina re-nationalized YPF SA, the country's largest oil and gas company which was previously, since its creation in 1922, a state owned company until its privatization in the early 90´s. There can be no assurance that the government of Argentina will not nationalize other businesses operating in the country, including the business of the Company. If any portion of the Company's assets are expropriated or nationalized, there can be no assurance that the Company would receive payment equal to their fair market value. Nationalization of any of the Company's assets in Argentina could have a material adverse effect on the Company's business, operations, cash flows, and financial condition. The Company has not purchased any "political risk" insurance coverage and currently has no plans to do so.

AbraSilver may need substantial additional financing in the future and cannot assure that such financing will be available

To meet its operating costs and to finance its respective future acquisition, exploration, development and operating activities, the Company will require financing from external sources, including from the sale of equity and debt securities, the sale of an interest in one or more of its mineral projects, entering into joint ventures or seeking other means to meet its financing requirements. There can be no assurance that additional funding will be available to the Company or, if available, that such funding will be offered on terms acceptable to the Company. If additional financing is raised through the issuance of equity or convertible debt securities, control of the Company may change and the interests of shareholders in the net assets of the respective company may be diluted.

If unable to secure financing on acceptable terms, the Company may have to cancel or postpone certain of its planned exploration and development activities and may not be able to take advantage of acquisition opportunities.

If the Company is unable to complete minimum work obligations on its exploration projects or make required property payments, the projects could be relinquished under applicable exploration project agreements. The failure of the Company to obtain additional financing would have a material adverse effect on its business, financial condition, results of operations or prospects.

The volatility of the capital markets may affect the Company's access to and cost of capital

Securities markets throughout the world are cyclical and, over time, tend to undergo high levels of price and volume volatility, and the market price of securities of many companies, particularly those in the resource sector, can experience wide fluctuations which are not necessarily related to the operating performance, underlying asset values or prospects of such companies. Increased levels of volatility and resulting market turmoil may adversely impact the Company and its share price.

If the Company is required to access credit markets to carry out their respective development objectives, the state of domestic and international credit markets and other financial systems could affect their respective access to, and cost of, capital. If these credit markets were significantly disrupted, as they were in 2007 and 2008, such disruptions could make it more difficult for the Company to obtain or increase its cost of obtaining capital and financing for its operations. Such capital may not be available on terms acceptable to the Company or at all, which may have a material adverse impact on its business, financial condition, results of operations or prospects.

Exploration risk

The Company may engage in the potential acquisition and exploration of other resource properties, an inherently risky business, and there is no assurance that economic mineral deposits will ever be discovered, or if discovered, subsequently put into production. Most exploration activities do not result in the discovery of commercially mineable deposits.

Early stage of development

There is limited financial, operational and other information available with which to evaluate the prospects of the Company. There can be no assurance that the Company's operations will be profitable in the future or will generate sufficient cash flow to satisfy its working capital requirements.

The Company's prospects depend on its ability to attract and retain qualified personnel

Recruiting and retaining qualified personnel will be critical to the Company's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. The Company believes that it will have the necessary personnel to meet its corporate objectives but, as its business activities grow, it will require additional key financial, administrative, mining and public relations personnel as well as additional staff on the operations side. Although the Company believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

<u>Changes in Argentinean environmental legislation could have adverse effects on our operations</u>

The Company's exploration activities and future mining operations in Argentina are and will be subject to laws and regulations relating to the protection and remediation of the environment. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. These laws, regulations and the governmental policies for implementation of such laws and regulations change from time to time and are generally becoming more restrictive. The costs associated with compliance with these laws and regulations are substantial and possible future laws and regulations and changes to existing laws and regulations (including the imposition of higher taxes and mining royalties) could cause additional expenses or capital expenditure, or result in restrictions or delays in the Company's development plans.

<u>As a participant in the resource extraction industry, the Company may face opposition from local and international groups</u>

There is an increasing level of public concern relating to the effects of mining production on its surroundings, communities, and environment. Certain non-governmental organizations, public interest groups and reporting organizations ("**NGOs**"), who oppose globalization and resource development and who may not be bound to codes of ethical reporting, can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which have resulted in disruption and delays to the relevant operation. Although population density is low in the Puna region where the properties comprising the Diablillos Project are located, there are some local communities that surround the properties. While the Company will seek to operate in a socially responsible manner, NGOs or local community organizations could direct adverse publicity and/or disrupt its operations in respect of one or more properties, regardless of the Company's successful compliance with social and environmental best practices, due to political factors and/or activities of unrelated third parties on lands in which the Company has an interest or operates.

Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Company, as applicable, or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

<u>The costs of complying with applicable laws and governmental regulations may have an adverse impact on the Company's business</u>

The Company's operations and exploration activities will be subject to laws and regulations governing various matters. These include without limitation laws and regulations relating to repatriation of capital and exchange controls, taxation, labour standards and occupational health and safety and historic and cultural preservation.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or the more stringent enforcement thereof, could have a material adverse effect on the Company's business, financial condition, results of operations or prospects by increasing exploration expenses, future capital expenditures or future production costs or by reducing the future level of production, or cause the abandonment of or delays in the development of the Company's projects.

Competition in the mining industry may adversely affect the Company

The mining industry is intensely competitive. The Company will compete with other mining companies, many of which have greater resources and experience. Competition in the mining industry is primarily for: (i) properties which can be developed and can produce economically; (ii) the technical expertise to find, develop, and operate such properties; (iii) labour to operate the properties; and (iv) capital to fund such properties. Such competition may result in the Company being unable to acquire desired properties, to recruit or retain qualified employees or to acquire the capital necessary to fund their respective operations and develop their respective properties. The Company's inability to compete with other mining companies for these resources could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

The Company's insurance coverage may not cover all of its potential losses, liabilities and damages related to its business and certain risks are uninsured or uninsurable

The Company's business will be subject to a number of risks and hazards (as further described herein). Although the Company will maintain insurance to protect against certain risks in such amounts as it considers being reasonable, such insurance will likely not cover all the potential risks associated with its activities, including any future mining operations. The Company may also be unable to maintain insurance to cover its risks at economically feasible premiums, or at all. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration or production may not be available to the Company on acceptable or any terms. The Company might also become subject to liability for pollution or other hazards which it is not currently insured against and/or in the future may not insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Mining and mineral exploration is inherently dangerous and subject to factors or events beyond the Company's control

The Company's business, and any future development or mining operations, will involve various types of risks and hazards typical of companies engaged in the mining industry. These risks will affect the exploration, development and refurbishment activities of the Company, and will affect its business to an even larger extent once commercial mining operations, if any, commence.

Such risks include, but are not limited to: (i) industrial accidents; (ii) unusual or unexpected rock formations; (iii) structural cave-ins or slides and pitfall, ground or slope failures and accidental release of water from surface storage facilities; (iv) fire, flooding and earthquakes; (v) rock bursts; (vi) metals losses; (vii) periodic interruptions due to inclement or hazardous weather conditions; (viii) environmental hazards; (ix) discharge of pollutants or hazardous materials; (x) failure of processing and mechanical equipment and other performance problems; (xi) geotechnical risks, including the stability of the underground hanging walls and unusual and unexpected geological conditions; (xii) unanticipated variations in grade and other geological problems, water, surface or underground conditions; (xiii) labour disputes or slowdowns; (xiv) work force health issues as a result of working conditions; and (xv) force majeure events, or other unfavorable operating conditions.

These risks, conditions and events could result in: (i) damage to, or destruction of, the value of, the Company's projects or their facilities; (ii) personal injury or death; (iii) environmental damage to the Company's projects or the properties of others; (iv) delays or prohibitions on mining or the transportation of minerals; (v) monetary losses; and (vi) potential legal liability. Any of the foregoing could have a material adverse effect on the Company's business, financial condition, results of operation or prospects.

Directors and officers may be subject to conflicts of interest

Certain directors and officers of the Company are or may become associated with other mining and/or mineral exploration and development companies which may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the company with which they serve are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve such a contract. In addition, directors and officers are required to act honestly and in good faith with a view to the best interests of their respective company. Some of the directors and officers have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these directors and officers. Further, any failure of the directors or officers of the Company to address these conflicts in an appropriate manner, or to allocate opportunities that they become aware of to the Company, could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Political instability and hyperinflationary economy

Political or economic instability, including high inflation rates, or unexpected regulatory change in the countries where the Company's mineral properties are located could adversely affect the business.

Epidemic diseases such as COVID-19

The Company's business could be adversely impacted by the effects of epidemic diseases such as COVID-19 which had a significant impact on businesses and people through the restrictions put in place by governments of most countries regarding travel, business operations, social distancing and quarantine orders. Epidemic diseases could adversely impact the Company's ability to raise financing for exploration or operating costs due to uncertain capital markets, country specific risk factors, supply chain disruptions, increased government regulations and other unanticipated factors, all of which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

Military conflict in the Ukraine and Middle East

The Company's future operations may be affected by international conflicts including but not limited to, Russia's military action against the Ukraine and the conflict between Israel, Hamas and Hezbollah in the Middle East. Any further escalation of these conflicts or other conflicts, imposition of sanctions, outbreak of war into other countries or regions or other escalation may have a material adverse effect on the Company's operations due to, among other factors, the effect on the supply chain, diversion of resources to the conflict, and an increase in the Company's costs for fuel and other supplies used to carry out its exploration activities. Metal prices continue being impacted by economic and geopolitical concern. Recent hostilities in the Middle East and Europe, and the accompanying international response, has been disruptive to the world economy, with increased volatility in commodity markets, including higher oil and gasoline prices, international trade and financial markets, all of which have a trickle-down effect on supply chains, equipment and construction. There is material uncertainty about the extent to which this conflict will continue to impact economic and financial affairs, as the numerous issues arising from the conflict are in flux and there is the potential for escalation of the conflict both within Europe, the Middle East and globally. The Company continues to monitor the situation, although there is no assurance the Company's operations will not be adversely affected by geopolitical tensions.

Precious and base metal price fluctuations

The value and price of the Company's securities, its financial results, and its exploration, development and mining activities may be significantly adversely affected by declines in the price of precious and base metals. Such prices may fluctuate widely and are affected by numerous factors beyond the Company's control such as interest rates, exchange rates, inflation or deflation, fluctuation in the value of the Canadian dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of precious and base metal producing countries throughout the world. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving adequate returns on invested capital or the investments retaining their respective values. Declining market prices for these metals could materially adversely affect the Company's operations and profitability.

Uncertainty of calculation of reserves and resources and metal recoveries

Although the Company's reported Mineral Reserves and Resources have been prepared by qualified persons, these amounts are estimates only by independent geologists, and the Company cannot be certain that any specified level of recovery of mineral will in fact be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body that can be economically exploited. Mineralized materials, which are not Mineral Reserves, do not have demonstrated economic viability. Any material changes in the quantity of mineralization, grade or stripping ratio, or the metal price may affect the economic viability of the Company's properties. In addition, the Company cannot be certain that metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

The Mineral Resource and Reserve figures included in the AIF and the documents incorporated by reference are estimates, which are, in part, based on forward-looking information, and no assurance can be given that the indicated level of precious or base metals will be produced. Although resource estimates require a high degree of assurance in the underlying data when the estimates are made, unforeseen events and uncontrollable factors can have significant adverse or positive impacts on the estimates. Factors such as inherent sample variability, metal price fluctuations, variations in mining and processing parameters, increased production costs, reduced recovery rates and adverse changes in environmental or mining laws and regulations may render the present proven and probable reserves unprofitable to develop at a particular site or sites for periods of time and/or may require a reassessment of the commercial feasibility of a particular project. Such a reassessment may be the result of a management decision related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays in development or may interrupt operations, if any, until the reassessment can be completed.

Until reserves or resources are actually mined and processed, the quantities of mineralization and metal grades must be considered as estimates only. Any material change in the quantity of Mineral Reserves, Mineral Resources, grades and recoveries may affect the economic viability of the Company's properties.

This AIF and the documents incorporated by reference herein have been prepared and disclosed in accordance with the requirements of Canadian securities laws that differ from the requirements of United States securities laws. Please refer to "*Cautionary Note to U.S. Investors concerning Estimates of Mineral Reserves and Measured, Indicated and Inferred Mineral Resources*".

Title to assets

Searches of mining records are carried out in accordance with mining industry practices to confirm satisfactory title to properties in which the Company holds or intends to acquire an interest, but the

Company does not obtain title insurance with respect to such properties. The possibility exists that title to one or more of the properties, particularly title to undeveloped properties, might be defective because of errors or omissions in the chain of title, including defects in conveyances and defects in locating or maintaining such claims or concessions. The ownership and validity of mining claims and concessions are often uncertain and may be contested. The Company has taken and will continue to take all reasonable steps, in accordance with the laws and regulations of the jurisdictions in which their properties are located, to ensure proper title to its properties and to properties it may acquire in the future, either at the time of acquisition or prior to any major expenditures thereon. This, however, should not be construed as a guarantee of title. There are no assurances that the Company will obtain title. Both presently owned and after-acquired properties may be subject to prior unregistered agreements, transfers, land claims or other claims or interests. In addition, third parties may dispute the rights of the Company to its respective mining and other interests. The Company will attempt to clear title and obtain legal opinions commensurate to the intended level of expenditures required on areas that show promise. There can be no assurance, however, that it will be successful in doing so.

Litigation risks

All industries, including the mining industry, are subject to legal claims, with and without merit. Although the Company is not currently aware of any threatened or pending legal proceedings, there is no guarantee that the Company will not become subject to additional proceedings in the future. There can be no guarantee of the outcome of any such claim. In addition, defense and settlement costs for any legal proceeding can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material effect on the Company's financial position or results of operations.

Volatility in the price of the Common Shares

Securities of mineral resource and mining companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. In addition, because of the nature of the Company's business, certain factors such as public announcements and the public's reaction, the Company's operating performance and the performance of competitors and other similar companies, fluctuations in the market prices of precious and base metals, government regulations, changes in earnings estimates or recommendations by research analysts who track AbraSilver's securities or securities of other companies in the resource sector, general market conditions, announcements relating to litigation, the arrival or departure of key personnel and the risk factors described in this AIF can have an adverse impact on the market price of the Common Shares.

Any negative change in the public's perception of the Company's prospects could cause the price of its securities, including the price of the Common Shares, to decrease dramatically. Furthermore, any negative change in the public's perception of the prospects of mining companies in general could depress the price of AbraSilver's securities, including the price of the Common Shares, regardless of the Company's results. Securities class-action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Potential dilution of present and prospective shareholdings

The exercise of stock options and restricted share units issued by the Company and the issuance of other additional equity securities in the future could result in dilution in the value of the Common Shares and the voting power represented by such shares. Furthermore, to the extent holders of the Company's stock options or other securities exercise their securities and then sell the Common Shares they receive, the trading price of the Common Shares may decrease due to the additional number of Common Shares available in the market.

Currency risks

The Company's operations in Argentina are subject to foreign currency exchange fluctuations. The Company may suffer losses due to adverse foreign currency fluctuations.

The Company and its subsidiaries' financial instruments are exposed to currency risk where those instruments are denominated in currencies that are not the same as their functional currency; exchange gains and losses in these situations impact net income or loss. The Company raises its funds through equity issuances which are priced in Canadian dollars, and the majority of the exploration costs of the Company are denominated in Argentine pesos. The Company also holds cash and cash equivalents, trade and other receivables, accounts payable that are subject to currency risk. As a result, the Company's financial performance may be significantly impacted by changes in foreign exchange rates.

Financial reporting standards

The Company prepares its financial reports in accordance with International Financial Reporting Standards applicable to publicly accountable enterprises. In preparation of financial reports, management may need to rely upon assumptions, make estimates or use their best judgment in determining the financial condition of the Company. Significant accounting policies are described in more detail in the Company's audited financial statements. In order to have a reasonable level of assurance that financial transactions are properly authorized, assets are safeguarded against unauthorized or improper use, transactions are properly recorded and reported, the Company has implemented and continues to analyze its internal control systems for financial reporting. Although the Company believes its financial reporting and financial statements are prepared with reasonable safeguards to ensure reliability, the Company cannot provide absolute assurance.

Climate change

There is significant evidence of the effects of climate change on our planet and an intensifying focus on addressing these issues. Governments are introducing climate change legislation and treaties at the international, national, and local levels, and regulations relating to emission levels and energy efficiency are evolving and becoming more rigorous. However, the laws and regulatory requirements are not consistent across the jurisdictions in which we operate, and regulatory uncertainty is likely to result in additional complexity and cost in our compliance efforts. Public perception of mining is, in some respects, negative and there is increasing pressure to curtail mining in many jurisdictions as a result, in part, of perceived adverse effects of mining on the environment. Concerns around climate change may also affect the market price of the Common Shares as institutional investors and others may divest interests in industries that are thought to have more environmental impacts. While the Company is committed to operating responsibly and reducing the negative effects of its operations on the environment, its ability to reduce emissions, energy and water usage by increasing efficiency and by adopting new innovation is constrained by technological advancement, operational factors and economics. Adoption of new technologies, the use of renewable energy, and infrastructure and operational changes necessary to reduce water usage may also increase the costs at the Company's operations significantly. Concerns over climate change, and the Company's ability to respond to regulatory requirements and societal pressures, may have significant impacts on its operations and on its reputation, and may even result in reduced demand for its products. The physical risks of climate change could also adversely impact the Company's operations. These risks include, among other things, extreme weather events, resource shortages, changes in rainfall and in storm patterns and intensities, water shortages, changing sea levels and extreme temperatures.

Climate-related events such as mudslides, floods, droughts and fires can have significant impacts, directly and indirectly, on the Company's operations and could result in damage to its facilities, disruptions in accessing its sites with labour and essential materials or in shipping products from its mines, risks to the safety and security of its personnel and to communities, shortages of required supplies such as fuel and chemicals, inability to source enough water to supply its operations, and the temporary or permanent cessation of one or more of its operations. There is no assurance that the Company will be able to anticipate, respond to, or manage the risks associated with physical climate change events and impacts, and this may result in material adverse consequences to its business and to its financial results.

DESCRIPTION OF CAPITAL STRUCTURE

The Company is authorized to issue an unlimited number of Common Shares without par value. As of April 3, 2025, the Company has 152,548,356 Common Shares issued and outstanding.

Each Common Share carries one vote at all meetings of shareholders, is entitled to receive dividends as and when declared by the board of directors of the Company (the "**Board**") and is entitled to participation in the remaining property and assets of the Company upon dissolution or winding-up. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights.

MARKET FOR SECURITIES

The Common Shares are currently listed for trading on the TSX in Canada, and the OTCQX Best Market in the United States.

Trading Prices and Volumes

The following table provides a summary of the high and low prices and aggregate volume for the Common Shares as traded on the TSXV for the twelve-month period ending December 31, 2024.(1)(2)

Period	High ($)	Low ($)	Volume
January 2024	1.775	1.30	16,341,631
February 2024	1.55	1.325	5,442,055
March 2024	1.775	1.35	11,607,291
April 2024	2.375	1.70	36,747,049
May 2024	2.95	2.175	22,995,442
June 2024	2.57	2.08	3,206,203
July 2024	2.90	2.12	3,917,311
August 2024	2.62	2.04	3,731,858
September 2024	2.78	2.15	2,508,773
October 2024	3.58	2.49	5,471,205
November 2024	3.33	2.49	5,603,471
December 2024	2.74	2.22	3,932,427

(1) Source: TSXV
(2) The Company completed the Consolidation on May 22, 2024. All figures are post-Consolidation.

Prior Sales

During the fiscal year ended December 31, 2024, the Company issued the following securities that are not listed or quoted on a marketplace:

Date	Type of Security	Issue/Exercise Price	Number of Securities[1]
January 12, 2024	Common Shares[4]	$0.50	60,000
February 11, 2024	Common Shares[2]	$N/A	76,666
February 14, 2024	Common Shares[3]	$0.325	60,000
February 19, 2024	Common Shares[3]	$0.325	40,000
February 21, 2024	Common Shares[3]	$0.325	10,000
February 26, 2024	Common Shares[3]	$0.325	30,000
March 7, 2024	Common Shares[4]	$0.50	150,000
March 28, 2024	Options[5]	$1.78	1,136,000
April 3, 2024	Common Shares[4]	$0.50	30,000
April 4, 2024	Common Shares[4]	$0.50	584,000
April 8, 2024	Common Shares[4]	$0.50	100,000
April 9, 2024	Common Shares[3]	$0.325	375,000
April 17, 2024	Common Shares[4]	$0.50	20,000
April 26, 2024	Common Shares[6]	$2.00	10,000,000
April 29, 2024	Common Shares[3]	$0.325	20,000
May 15, 2024	Common Shares[3]	$0.68	120,375
May 22, 2024	Common Shares[4]	$1.85	175,613
May 22, 2024	Warrants[7]	$2.50	439,034
May 31, 2024	Common Shares[4]	$2.50	200
June 17, 2024	Common Shares[3]	$0.325	279,140
August 21, 2024	Common Shares[4]	$2.50	2,000
September 3, 2024	Options[5]	$2.21	400,000
September 18, 2024	Options[5]	$2.51	2,155,000
September 26, 2024	Common Shares[4]	$2.50	2,500
October 15, 2024	Common Shares[4]	$2.50	51,500
October 22, 2024	Common Shares[4]	$2.50	266,006
October 23, 2024	Common Shares[4]	$2.50	25,800
October 24, 2024	Common Shares[4]	$2.50	114,800
October 25, 2024	Common Shares[4]	$2.50	100

Date	Type of Security	Issue/Exercise Price	Number of Securities[(1)]
October 29, 2024	Common Shares[(3)]	$1.95	90,000
November 1,2024	Common Shares[(3)]	1.875	65,414
November 1, 2024	Common Shares[(3)]	$1.85	31,053
November 18, 2024	Common Shares[(4)]	$2.50	4,000
November 19, 2024	Common Shares[(4)]	$2.50	77,600
November 20, 2024	Common Shares[(4)]	$2.50	40,000
November 21, 2024	Common Shares[(4)]	$2.50	10,000
November 25, 2024	Common Shares[(4)]	$2.50	136,850
November 26, 2024	Common Shares[(4)]	$2.50	485,298
November 29, 2024	Common Shares[(4)]	$2.50	114,860
December 2, 2024	Common Shares[(4)]	$2.50	135,900
December 3, 2024	Common Shares[(4)]	$2.50	21,800
December 5, 2024	Common Shares[(4)]	$2.50	401,950
December 6, 2024	Common Shares[(4)]	$2.50	812,040
December 18, 2024	Common Shares[(8)]	$2.45	408,163

Notes:
(1) The Company completed the Consolidation on May 22, 2024. All figures are post-Consolidation.
(2) Issued upon vesting of restricted share units of the Corporation.
(3) Issued upon the exercise of stock options of the Corporation.
(4) Issued upon the exercise of Common Share purchase warrants of the Corporation.
(5) Granted under the omnibus equity incentive plan of the Corporation.
(6) Issued to Central Puerto and Kinross pursuant to the terms of a private placement.
(7) Issued to Eight Capital upon the exercise of broker Common Share purchase warrants of the Corporation.
(8) Issued to Teck Resources Ltd. pursuant to the terms of a private placement.

ESCROWED SECURITIES

To the Company's knowledge, as at December 31, 2024, no securities of the Company were held in escrow or were subject to a contractual restriction on transfer.

DIRECTORS AND OFFICERS

As of the date of this AIF, the Board consists of seven directors. Each director will hold office until the next annual general meeting of the Company or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the consenting documents of the Company or the provisions of the BCBCA.

The following table sets forth the names, residency and office of each director and executive officer of the Company as at the date hereof:

Name, position with the Company, province or state and country of residence	Principal occupation for the past five years	Director/officer of the Company since
Robert Bruggeman Director, Guanacaste, Costa Rica(1) (4)	Director and former President and CEO of Canstar Resources Inc.	June 14, 2018
Hernan Zaballa(2)(3) (4) Director, Buenos Aires, Argentina	Lawyer and Senior Partner, Zaballa Carchio Abogados	April 24, 2017
Sam Leung(3)(4) Director, Ontario, Canada	Formerly Vice President, Corporate Development, of Adventus Mining Corp.	December 18, 2019
Jens Mayer(1)(2)(4) Director, Ontario, Canada	Principal with INFOR Financial Inc.	December 18, 2019
Flora Wood(1)(3)(4) Director, Ontario, Canada	Director, Investor Relations of Altius Minerals Corp.	December 18, 2019
Nicholas Teasdale(2)(4) Director, Grand Cayman, Cayman Islands	Vice President, Mining Evaluations at Wheaton Precious Metals International Ltd.	November 30, 2020
Stephen Gatley(4) Director, West Sussex, United Kingdom	Retired, formerly Vice President Technical Services at Lundin Mining	October 18, 2021
John Miniotis Chief Executive Officer, Florida, United States	Chief Executive Officer of the Company since December 2019. Prior thereto, Mr. Miniotis was interim CEO of Aethon.	December 19, 2019
Carlos Pinglo Chief Financial Officer and Corporate Secretary, Ontario, Canada	Chief Financial Officer of the Company since December 2019. Prior thereto, Mr. Pinglo was Chief Financial Officer of Aethon.	December 19, 2019
David O'Connor Chief Geologist, Salta, Argentina	Chief Geologist of the Company since December 2019. Prior thereto, Mr. O'Connor was Chief Geologist of Aethon.	December 19, 2019
Jeremy Weyland Senior Vice President, Projects and Development, Ontario, Canada	Director of Project Studies and Acting Vice President of Technical Services at Lundin Mining since September 2017	September 1, 2024

(1) Member of the Audit Committee
(2) Member of the Compensation Committee
(3) Member of the Corporate Governance and Nomination Committee
(4) Independent Director

As at the date hereof, the directors and executive officers of the Company as a group beneficially own, directly and indirectly, or exercise control or direction over, an aggregate of 5,163,567 Common Shares, representing approximately 3.67% of the outstanding Common Shares.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No director or executive officer of the Company is, as of the date of this AIF, or was within ten years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company), that:

- was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "**order**") that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

- was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except as disclosed herein, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

(a) is, as of the date of this AIF, or has been within the ten years before the date of this AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or;

(b) has, within ten years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

The Company confirms that there are currently no existing material conflicts of interest between AbraSilver or a subsidiary of AbraSilver and any director or officer of AbraSilver or of a subsidiary of AbraSilver. Other than with respect to the involvement of certain directors of the Company in other mining companies, there are no potential material conflicts of interest between AbraSilver or a subsidiary of AbraSilver and any director or officer of AbraSilver or of a subsidiary of AbraSilver.

AUDIT COMMITTEE

National Instrument 52-110 *Audit Committees* ("**NI 52-110**") of the Canadian Securities Administrators requires the Company, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of the Company's audit committee (the "**Audit Committee**") and its relationship with its independent auditor.

Audit Committee Charter

The charter of the Audit Committee is reproduced in its entirety in **Schedule A** to this AIF.

Composition of the Audit Committee

The Audit Committee currently consists of Ms. Wood (Chair), Mr. Bruggeman and Mr. Mayer. The Board of Directors has determined that each member of the Audit Committee is "independent" and "financially literate" within the meaning of NI 52-110.

Relevant Education and Experience of Members of the Audit Committee

Flora Wood

Flora Wood is Vice President, Investor Relations and Sustainability at Altius Minerals Corporation, a diversified royalty company listed on the Toronto Stock Exchange, a position she has held since August 2017. Ms. Wood is also Corporate Secretary of Altius Renewable Royalties Corp., which was spun off from Altius Minerals Corporation in 2021. Prior to that, Ms. Wood led Investor Relations (debt and equity) for mining and steel-making companies that included. Sherritt International Corporation (2015-2017), Essar Steel Algoma bondholder restructuring (2013-2014), Callinan Royalties (2014-15) and Inmet Mining Corp. (2010-2013). Ms. Wood graduated from the University of Toronto with an MA (Philosophy) and was previously an Audit Committee member and independent director of gold developer Treasury Metals Ltd.

Robert Bruggeman

Rob Bruggeman has been President of Alpha Advisory Services Inc., which provides corporate development and investor relations consulting to the mining industry, since July 2016. He has over 20 years' experience in corporate development and equities research and trading, including five years as Vice President, Trading Strategy & Research, with TD Securities from 2005 to 2010. Mr. Bruggeman holds a Bachelor of Engineering & Management from McMaster University and a Master of Business Administration degree from the Schulich School of Business at York University. Mr. Bruggeman is a CFA charterholder.

Jens Mayer

Jens Mayer is a Principal with INFOR Financial and has 20 plus years of experience as a mining investment banker, he was Head/Co-Head of Investment Banking and the Resource Group at Canaccord Genuity from 2000-2016. While at Canaccord Genuity, Mr. Mayer helped build the firm from a small regional dealer to Canada's largest independent investment bank with a global reach. Through his career, Mr. Mayer has advised on numerous M&A transactions while at Gordon Capital, Yorkton Securities, Canaccord Genuity and now at INFOR Financial. Mr. Mayer holds an H.B.Sc. from Brock University and an MBA from Queen's University.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board of Directors has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4, 6.1.1(4), 6.1.1 (5), 6.1.1 (6) or 8 of NI 52-110. Section 2.4 (*De Minimis Non-audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Section 6.1.1(4) (*Circumstances Affecting the Business or Operations of the Venture Issuer*) provides a temporary exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers in circumstances where it is necessary for business reasons that a non-executive member of the Audit Committee become an executive officer. Section 6.1.1(5) (*Events Outside Control of Member*) provides a temporary exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers in circumstances where, for reasons beyond the member's reasonable control, the member becomes a control person. Section 6.1.1(6) (*Death, Incapacity or Resignation*) provides a temporary exemption from the requirement that a majority of the members of the Audit Committee must not be executive officers in circumstances where a vacancy on the Audit Committee must be filled due to the death, incapacity or resignation of a former member. Section 8 (*Exemptions*) permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110 in whole or in part.

Pre-Approval Policies and Procedures

The charter of the Audit Committee requires that the Audit Committee approve in advance all auditing services and any non-audit related services provided by the Company's auditors, and the fees for such services, with a view to ensuring the independence of the auditors and, in accordance with applicable regulatory standards, including applicable stock exchange requirements, with respect to approval of non-audit related services performed by the auditors.

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

Financial Year Ended December 31	Audit Fees	Audit-related Fees	Tax Fees	All Other Fees	Total
2024	$175,000	$Nil	$Nil	$Nil	$175,000
2023	$176,250	$Nil	$Nil	$Nil	$176,250

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

To the Company's knowledge, there are no legal proceedings or regulatory actions material to the Company to which it is a party, or was a party to, or that any of its property is the subject matter of, or was the subject matter of, in the previous financial year, and no such proceedings or actions are known by the Company to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Management of the Company is not aware of any material interest, direct or indirect, of any of the following persons or companies in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company:

- a director or executive officer of the Company;
- a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of the Company's outstanding voting securities; and
- an associate or affiliate of any of the persons or companies referred to in (a) or (b) above.

TRANSFER AGENT AND REGISTRAR

The Company's registrar and transfer agent is TSX Trust Company located at 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1.

MATERIAL CONTRACTS

The only contracts that are material to the Company and that were entered into during the most recently completed financial year, or before the most recently completed financial year that are still in effect as of the date of this AIF, other than contracts entered into during the ordinary course of business, are the Diablillos SPA and the IRAs. Copies of such material contracts are available on SEDAR+ under the Company's profile.

INTEREST OF EXPERTS

The qualified persons responsible for reviewing the Diablillos Technical Report are Luis Rodrigo Peralta, Joseph M. Keane, Miguel Fuentealba Vergara and Shaida Miranda Gutierrez.

Crowe Mackay LLP ("**Crowe**") are the auditors of the Company who have prepared the auditors' report in respect of AbraSilver's annual financial statements for the fiscal year ended December 31, 2024. Crowe has confirmed that it is independent with respect to the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

To the knowledge of the Company, no person or company who is an expert and whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of this AIF, or prepared or certified a report or valuation described or included in this AIF, beneficially owns more than 1% of the issued and outstanding Common Shares.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR+ at www.sedarplus.ca. Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under equity compensation plans, if applicable, is contained in the Management Information Circular. Additional financial information is provided in the Company's financial statements and management discussion & analysis for its financial year ended December 31, 2024. The section entitled "Audit Committee Disclosure" contained in the Management Information Circular together with Appendix A to the Management Information Circular, which has been filed on SEDAR+, contains the information about the Company's Audit Committee required by Section 6.2 of Multilateral Instrument 52-110 – *Audit Committees*.